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Prepared By: Isaac Yao, Agricultural Specialist and Mariano J. Beillard, Regional Agricultural Counselor

Approved By: Mariano Beillard, Regional Agricultural Counselor

Report Highlights:

Côte d'Ivoire ranks as Africa's second largest producer of crude palm oil (CPO); trailing just behind Nigeria's production, it is a pivotal player in the sub-Saharan regional market. FAS Abidjan (Post) forecasts Côte d'Ivoire's palm oil production in market year (MY) 2024/2025 (October-September) at 620,000 metric tons (MT), four percent higher than the U.S. Department of Agriculture's (USDA) official MY 2024/2025 figure of 600,000 MT. The projected increase in palm oil production for MY 2024/2025 is attributed to the incorporation of new official data that better accounts for newly established smallholder plantations. This FAS Abidjan GAIN-CÔTE D'IVOIRE | IV-2024-0010 | – Oilseeds and Products Report – 2024 (Revised Update) revises and updates Post's previous report GAIN-CÔTE D'IVOIRE | IV2024-0008 | Oilseeds and Products Report.

EXECUTIVE SUMMARY

Côte d'Ivoire ranks as Africa's second largest producer of crude palm oil (CPO); trailing just behind Nigeria's production, it is a pivotal player in the sub-Saharan regional market. The country consumes over two-thirds of its own annual palm oil production and accounts for roughly 90 percent of the West African Economy and Monetary Union (UEMOA) market.¹

The palm oil sector in Côte d'Ivoire has a dual structure composed of smallholders (i.e., organized into approximately 30 cooperatives) and large-scale industrial plantations. There is a notable disparity in yields, with smallholders averaging 7 metric tons (MT) per hectare (ha) compared to the 20 to 25 MT/ha obtained on the larger-scale industrial plantations. This yield gap underscores the urgent need for the modernization of smallholder practices, critical for enhancing productivity and competitiveness.

Crude palm oil is processed in palm oil mills, wherein extraction and refinement occur. Refined CPO is then further processed in derivatives production facilities to produce vegetable oil, which is the primary cooking oil in the country. These facilities also manufacture various other derived products such as margarine, soap, lotion, shampoo, and skin care products. Economically, the sector is crucial, contributing 1.5 percent to the Côte d'Ivoire's gross domestic product (GDP).² However, it faces several challenges, including increasing international competition and domestic regulatory pressures.

Since December 2020, the Government of Cote d'Ivoire (GOCI), through the Palm Oil and Rubber Council (CHPH), has been implementing price controls on CPO and fresh fruit bunches (FFB) to manage food inflation.³ Crude palm oil prices have dropped by 16 percent. While these measures are intended to stabilize consumer prices, they have compressed profit margins for both the palm oil mills and FFB producers, limiting their ability to capitalize on international price trends.

The CHPH, established in 2020, is tasked with revising price-setting mechanisms and reforming the sector's taxation structure. However, regulatory changes dragged out, allowing some actors within the value-added chain to circumvent rules. In response to this situation, in early 2024 the GOCI commence to takes measures against several egregious violators, including the closure of mills for non-compliance with regulatory standards.

¹ Members of the West African Economic and Monetary Union (Union économique et monétaire ouest-africaine - known also by its French acronym, UEMOA) include Benin, Burkina Faso, Côte D'Ivoire, Guinea-Bissau, Mali, Niger, Senegal, and Togo. The WAEMU member countries are seeking greater regional integration through the unification of external tariffs. As Francophone West Africa's leading economic hub and the world's largest cocoa producer, counting along with a sizeable manufacturing sector, Côte d'Ivoire exerts significant regional influence. See, International Monetary Fund at <https://www.imf.org/en/Publications/SPROLLS/WAEMU-362#sort=%40imfdate%20descending>.

² The World Bank puts Côte d'Ivoire's latest available GDP (current) at \$78.79 billion (2023), with GDP growth (annual) at 6.5 percent (2023). See, World Bank Group – Côte d'Ivoire, Overview at https://data.worldbank.org/country/cote-divoire?_gl=1*1u4rjvi*_gcl_au*MTY4Nzc0NzAuMTcyNTY1OTI3NA.. The Permanent Representative of Côte d'Ivoire to International Commodity Organizations (Représentation Permanente de Côte d'Ivoire – known also by its French acronym, REPERCI) estimates the turnover in the Ivorian oil palm sector at some 500 billion CFA (~\$841.7 million), accounting for 3.1 percent of GDP.

³ The Palm Oil and Rubber Council (Conseil Hevea Palmier à Huile – known also by its French acronym CHPH).

COMMODITY:

OIL, PALM

Table 1. Côte d'Ivoire: Commodity, Oil, Palm, Production-Supply-Distribution (PSD)

Oil, Palm Market Year Begins Cote d'Ivoire	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)	0	0	0	0	0	0
Area Harvested (1000 HA)	300	300	300	300	300	300
Trees (1000 TREES)	26900	26900	26900	26900	26900	26900
Beginning Stocks (1000 MT)	41	41	181	146	186	91
Production (1000 MT)	600	565	600	595	600	620
MY Imports (1000 MT)	59	59	70	15	80	65
MY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
MY Imp. from EU (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	700	665	851	756	866	776
MY Exports (1000 MT)	234	234	375	375	380	380
MY Exp. to EU (1000 MT)	0	0	0	0	0	0
Industrial Dom. Cons. (1000 MT)	60	60	65	65	70	70
Food Use Dom. Cons. (1000 MT)	225	225	225	225	230	230
Feed Waste Dom. Cons. (1000 MT)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT)	285	285	290	290	300	300
Ending Stocks (1000 MT)	181	146	186	91	186	96
Total Distribution (1000 MT)	700	665	851	756	866	776
CY Imports (1000 MT)	24	24	70	10	0	70
CY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
CY Exports (1000 MT)	287	287	375	375	380	380
CY Exp. to U.S. (1000 MT)	0	0	0	0	0	0
Yield (MT/HA)	2	1.8833	2	1.9833	2	2.0667
(1000 HA), (1000 TREES), (1000 MT), (MT/HA)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

PRODUCTION

FAS Abidjan (Post) forecasts Côte d'Ivoire's palm oil production in market year (MY) 2024/2025 (October-September) at 620,000 metric tons (MT), four percent higher than the U.S. Department of Agriculture's (USDA) official MY 2024/2025 figure of 600,000 MT. Post estimates Côte d'Ivoire's palm oil production in MY 2023/2024 at 595,000 MT, coming in around 5,000 MT lower than the USDA official MY 2023/2024 figure of 600,000 MT. The drop is attributable to increased difficulty in accessing roadways, which complicates the transport of palm fruit bunches to oil production mills. This has led to some production losses along with climatic disruptions in several of the production areas.

The projected increase in palm oil production for MY 2024/2025 is attributed to the incorporation of updated official data that better accounts for newly established smallholder plantations. Smallholder production now constitutes roughly 60 percent of Côte d'Ivoire's total palm oil output. Also, several

leading industry processors are planning on expanding from fresh fruit bunches (FFB) to crude palm oil (CPO) processing capacity in the upcoming market year.

Total Area and Yields: The total area of Ivorian palm oil orchards is estimated at 300,000 hectares (ha), with some 80,000 ha (i.e., about 26 percent) classified as industrial plantations (PI). Seventy-four percent of the country's plantations, constituting about 220,000 hectares overall, are classified as village plantations (PV). These village plantations are the largest producers of fresh fruit bunches. However, they also have some of the lowest yields, despite the country's primary processing companies' own heavy reliance on their productive output. Village plantations reportedly yield 6 to 7 MT/ha, whereas the industrial plantations yield about 14 MT per hectare. The lower productivity of small Ivorian farmers is due to insufficient input supply and the quality of the planting material. The average size of a village plantation is approximately five hectares, and only one-sixth of these plantations cover areas greater than 30 hectares.

Industrial palm oil plantations contribute 40 percent of the national oil production. Five major companies control the country's industrial palm oil plantations, with PALMCI (owned by the SIFCA Group) being the largest. Other significant players include SIPEF-CI (UOC), Palmafrique, SOGB, and Dekel Oil. Additionally, the National Agronomic Research Center (CNRA) handles 3,500 hectares, bringing the total area to 80,000 hectares.

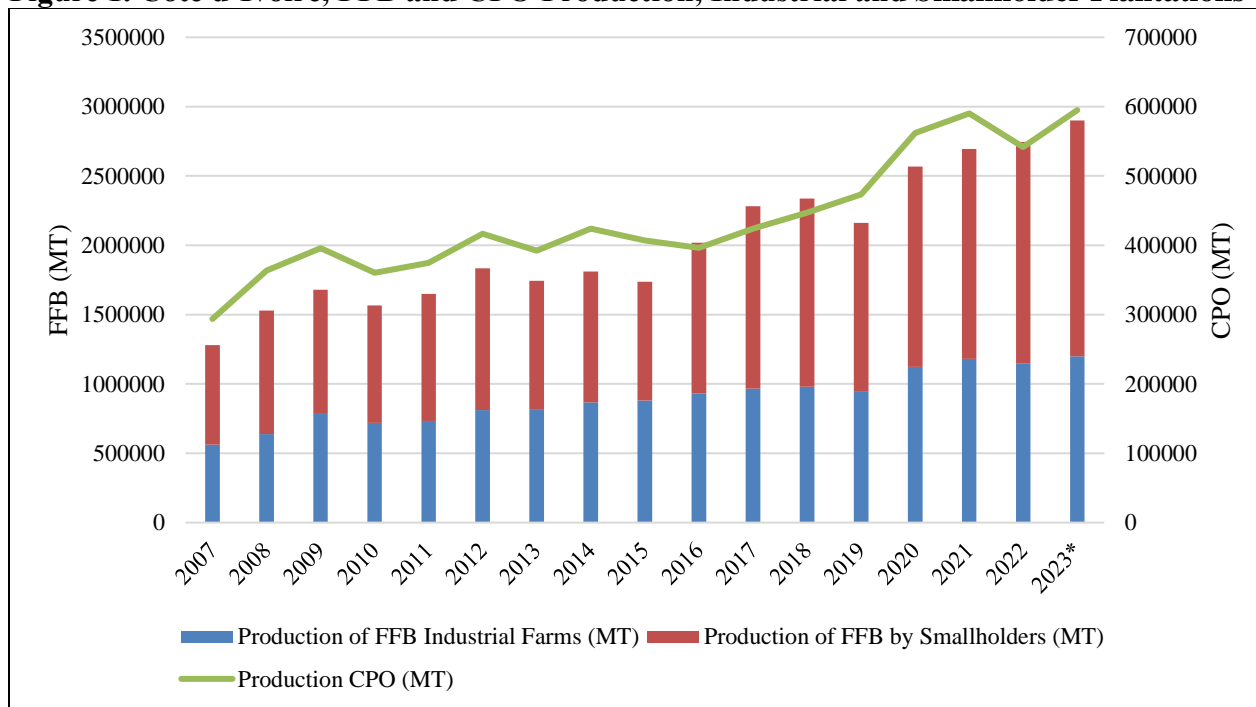
Several Ivorian palm oil mills are aiming to boost their CPO exports in 2024 and 2025 in attempt to mitigate financial losses resulting from the Government of Côte d'Ivoire's (GOCI) price controls. PALMCI, Côte d'Ivoire's leading palm oil industry player, has now acquired an additional 1,300 hectares from another producer, which will further strengthen its downstream CPO production capacity.

Notwithstanding the expansion observed in milling and Ivorian CPO processing capacity, along with better management of industrial plantations and an extension of industrial plots, smallholder farmers continue to face significant challenges. Apart from historically lower yields, due to non-compliance with good agricultural practices, suboptimal fertilizer application, and a proclivity not to follow agricultural advisory recommendations, smaller producers also contend with poor road access to the palm oil mills. This severely impacts both the quality and quantity of products being delivered to the mills. Also, the maturity of some plots raises the issue of replanting, along with constraints in accessing high-quality planting materials. The National Agronomic Research Center (CNRA) is struggling to keep pace with demand, leading to delays in fulfilling requests for quality plant material.

Production Processing Capacity: In Côte d'Ivoire, palm oil processing is carried out reportedly by 20 large crude palm oil production units, with a total installed processing capacity of roughly 900 MT/hour. There are another 30 small- to medium-size processing units that combined have an installed processing capacity of 400 MT/hour. Altogether, these processing facilities can handle 1,300 MT of fresh fruit bunches per hour. Artisanal processors, however, play a significant role in the production of oil and soap at the local community level, although their actual processing capacity remains largely undetermined. These artisanal presses process a portion of the village production into artisanal oil. Reportedly the expansion in the number of these mini-artisanal mills, along with their growing capacity, is leading to increased competition for access to FFB for village production.

Total installed processing capacity for fresh fruit bunches stands at approximately 1,300 MT/hour, which represents a processing capacity of close to 4.3 million metric tons (MMT) per annum. However, production capacity today exceeds actual FFB production, which hovers at roughly 2.8 MMT. Ivorian palm oil mills are estimated to have an absorption capacity of 152 percent of the current production potential, which indicates a likely shortfall of palm oil bunches of 52 percent. The over investment in installed production processing capacity is outpacing raw material’s availability. Cutthroat competition to secure sufficient volumes of palm oil bunches for processing, is shrinking profit margins.

Figure 1. Côte d’Ivoire, FFB and CPO Production, Industrial and Smallholder Plantations



Source: Inter-professional Association of Palm-Oil Industry (AIPH).

Côte d’Ivoire has in recent years seen a significant increase in the number of palm oil mills. The new entrants, often without their own production plots, compete for supplies of fresh fruit bunches. This competition often undermines the fixed price cap measures set by the Ivorian government. In some regions, a parallel supply chain for FFB is emerging due to this competition with the new players in the first stage of the processing chain.

While artisanal palm oil refining itself represents by some estimates only about 10 percent of national production, it plays an otherwise outside role in the local economy. The rise of artisanal mills is increasing local competition for fresh fruit bunches, affecting the prices and availability of raw materials for smaller processors. This situation is taxing the supply chain, which influences price stability, and the sustainability of the mini-artisanal mills themselves, which are dependent on regular access to FFB to ensure their own production and profitability.

Despite challenges, Ivorian palm oil production’s potential remains very high. Post observes that in some regions of the country, there is a noticeable shift away from cocoa cultivation because of

devastating swollen shoot disease's impact on the crop. This is stimulating a shift to increased palm oil cultivation. This shift in cultivation will result in increased palm oil production in the medium-term.

CONSUMPTION

FAS Abidjan forecasts MY 2024/2025 palm oil consumption at 300,000 MT, up 10,000 MT and nearly 3.5 percent above the USDA official MY 2023/2024 estimate of 290,000 MT.

The palm oil sector plays a pivotal role in the Ivorian economy. It is a critical source of income for local farmers, as well as is a key national export commodity. Palm oil is also a staple of the Ivorian cuisine, widely utilized by all households. At the industrial level, demand domestically and abroad remains strong since palm oil is a key ingredient in the production of processed food products and cosmetics.

Key Players in Côte d'Ivoire: The country's five leading agro-industrial companies (PALMCI, UOC, Palmafrique, Dekel Oil, and Codipalm) account for roughly 60 percent of overall processed output, underscoring the economic importance of this commodity. In the industrial sector, crude palm oil undergoes further processing to yield a wide variety of products, including food items such as vegetable oil, margarine, and biscuits, as well as cosmetics and soap. Other prominent industry players include Awi, Adamafrique, Sania, Sarci, and the SIFCA Group.

Some derivatives production facilities have reportedly adopted a vertical integration strategy by entering the FFB purchasing market. They have done this by building their own palm oil mills and offering purchase prices for CPO that are higher than the established rates. This strategy gives these facilities a competitive edge in acquiring FFBs from local village producers.

It is estimated that about 75 percent of Côte d'Ivoire's palm oil production meets the national consumption demand for oilseeds, primarily for the manufacture of food and industrial products. The remaining 25 percent is exported to neighboring countries in the sub-region (i.e., to Mali, Burkina Faso, Niger, Ghana, and Nigeria). This strategic allocation not only stabilizes the domestic market but also diversifies and strengthens export markets; fostering regional economic integration and while increasing revenue generated from exports.

Ivorian palm oil domestic demand over time has experienced significant increases, rising from about 180,000 MT in calendar year (CY) 2007 (January-December) upwards by 96 percent to 352,000 MT in CY 2017. The compound annual growth rate (CAGR) for the 10-year [2007-2017] period exceeds 6.9 percent. In terms of Ivorian per capita consumption, palm oil usage has grown by around 44 percent between 2007-2017; jumping from 9 kilograms (kg)/person in 2007 to 13 kg/person by 2017.⁴ Unlike sub-Saharan Africa as a whole, which relies on substantial volumes of palm oil imports (upwards of 59 percent), Côte d'Ivoire's domestic consumption demand remains largely met through local production.

FAS Abidjan anticipates a slight increase in Côte d'Ivoire's palm oil consumption figures, specifically for that going for food use over the next two years due to natural population growth.⁵ Noteworthy in this

⁴ Fondation-FARM, "La Filière Palmier à Huile en Côte d'Ivoire: Un Condensé des Enjeux du Développement Durable," Note 13, Février 2020.

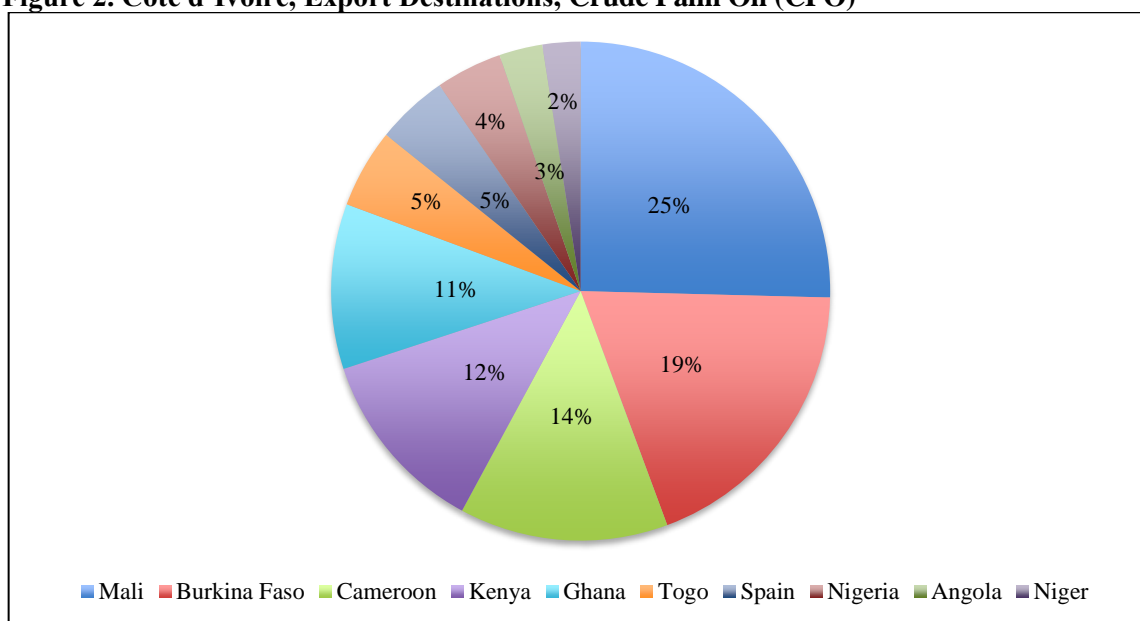
⁵ In 2024, Côte d'Ivoire's population exceeds 29.9 million, growing by 2.13 percent per annum (Central Intelligence Agency, 2024 estimate). The population is likely to continue growing for the foreseeable future given that about 60 percent of the

regard, however, are the Foundation-FARM findings that Ivorian palm oil production has been increasing over the past decade at an average annual rate lower than that of domestic demand.

TRADE

Exports: FAS Abidjan forecasts Côte d’Ivoire’s palm oil exports in MY 2024/2025 at 380,000 MT, up by 5,000 MT compared to the USDA official MY 2023/2024 estimate of 375,000 MT. With installed production capacity easily meeting domestic consumption demand, excess production is being freed up for exports especially to the sub-Saharan region. Here Ivorian palm oil benefits from a strong quality reputation and pricing, making it an essential household consumption item. Ivorian palm oil exports are four times the volume of imports five-years running.

Figure 2. Côte d’Ivoire, Export Destinations, Crude Palm Oil (CPO)



Source: Trade Data Monitor, FAS Abidjan/Accra office research.

Exports of palm oil products are handled primarily through the southern Ports of Abidjan and San Pedro on the Gulf of Guinea. These exports are mainly of crude palm oil and to lesser amount those of kernel palm oil (KPO). Export trade data nonetheless points to Côte d’Ivoire’s northern neighbor Mali (landlocked) as the primary destination for Ivorian CPO exports; accounting for 23 percent of total exports in MY 2023/2024. Post estimates Côte d’Ivoire’s palm oil exports in MY 2023/2024 at 375,000 MT, in line with the USDA official estimate figure for that marketing year.

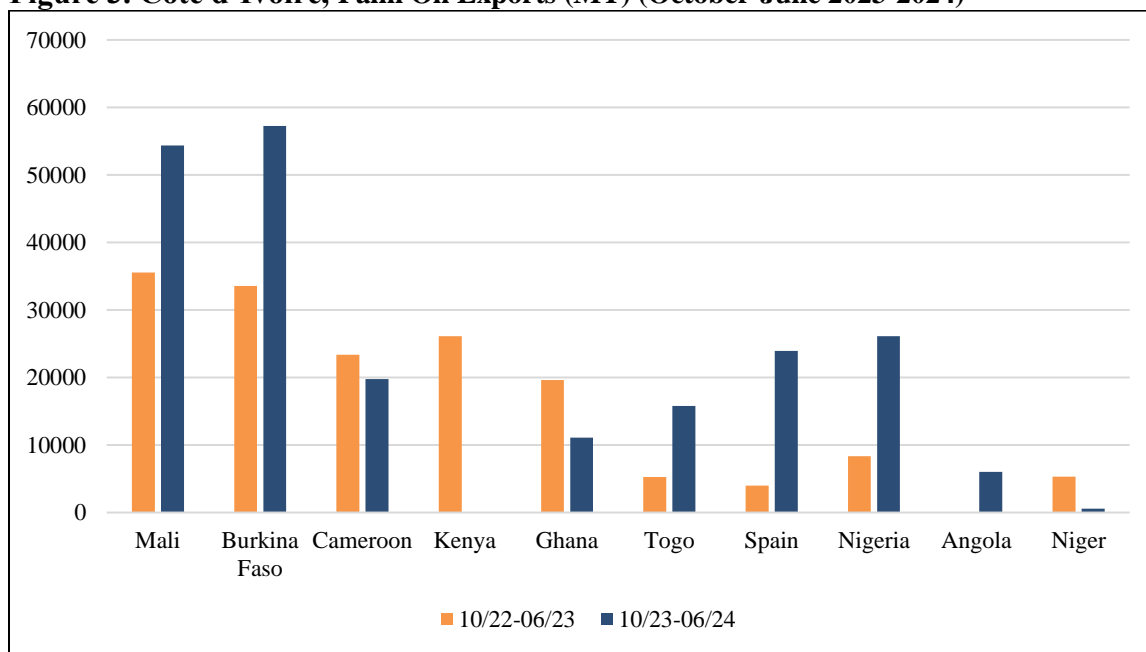
Throughout the first half of MY 2023/2024, Ivorian CPO exports to Mali jumped by 70 percent. Over the past five years, Mali has been the leading destination for Côte d’Ivoire’s palm oil exports – importing an average of 65,000 MT annually. Similarly, shipments to Burkina Faso in MY 2023/2024 experienced a 73 percent increase; making it the second-largest export destination for Ivorian CPO.

population is under 25-years of age (2020 estimate) with the total fertility rate holding steady at 3.5 children per woman, and contraceptive use at under 30 percent.

Exports to Cameroun in the first half of MY 2023/2024 surged by 175 percent compared to MY 2022/2023, which itself had earlier seen skyrocketing growth of 360 percent. Post attributes these increases to the growing demand from the country’s expanding processing industries.⁶ However, exports to Ghana dropped by 40 percent over the last six-months compared to the same period last year; a hangover of that country’s financial crisis of 2022.⁷

Ivorian palm oil export volumes are expected to continue growing over the next two years. This is being driven by continued strong demand coming from international markets (e.g., Cameroon and Kenya) combined with increases in national production.

Figure 3. Côte d’Ivoire, Palm Oil Exports (MT) (October-June 2023-2024)



Source: Trade Data Monitor, FAS Abidjan/Accra office research.

Imports: FAS Abidjan forecasts Côte d’Ivoire’s palm oil imports in MY 2024/2025 at 65,000 MT, which is some 15,000 MT lower than the USDA official figure of 80,000 MT. The expected import volumes, nonetheless, are up by 55,000 MT from Post’s earlier MY 2023/2024 estimate of 10,000 MT.

Post’s MY 2023/2024 Côte d’Ivoire import estimate reflects the precarious drop in palm oil import volumes coming from neighboring Liberia. Although Côte d’Ivoire in previous years had imported roughly 60,000 MT of palm oil, with Liberia being the country’s top supplier providing some 25,800 MT in MY 2022/2023, overall Ivorian import volumes since the beginning of MY 2023/2024 have plummeted by over 83 percent. Contributing to the drop in import volumes has been supply disruptions with Malaysia’s lower-to-stagnating production accompanied by weak yields, which have generated a 100 percent drop in CPO export volumes destined for Côte d’Ivoire. At the same time Indonesia-origin

⁶ See, <https://ecomatin.net/importations-a-la-demande-des-industries-de-transformation-le-cameroun-augmente-a-71-ses-besoins-en-huile-de-palme-brute-pour-2023>

⁷ The 2022 credit downgrade limited Ghana’s ability to borrow internationally. This in turn reduced Ghana’s international reserves which triggered a significant depreciation of the Ghanaian cedi and the 2022 inflation crisis.

palm oil exports to Côte d'Ivoire similarly tumbled in MY 2023/2024 by 60 percent compared to MY 2022/2023's volumes. While Malaysia and Indonesia experienced marginal rises in production, demand from China (as it relaxed COVID-19 restrictions) and India (increasing imports), adversely impacted supply availability otherwise destined for the West Africa region. Both China and India remain to date the world's largest buyers of palm oil. Also, Indonesia's move to a 35 percent palm oil biodiesel blend mandate increased demand on palm oil availability in that country, all of which has not been helpful for meeting Côte d'Ivoire's import demand needs.

Côte d'Ivoire's membership in the Economic Community of West African States (ECOWAS) also means that disadvantageous customs duties are applied to palm oil imports originating from non-member countries.⁸ This protective measure boosts the competitiveness of Ivorian palm oil, but at the same time disadvantages Côte d'Ivoire's ability to potentially source more affordably priced palm oil from non-ECOWAS origins.

⁸ The Economic Community of West African States (ECOWAS; also known by the acronym CEDEAO in French and Portuguese) is a regional political and economic union of fifteen countries of West Africa. Collectively, the countries comprise an area of 5,114,162 square kilometers (1,974,589 square miles) with an estimated population of over 424 million. The 15-member states include: Benin; Burkina Faso (suspended); Cape Verde; Gambia; Guinea (suspended); Guinea-Bissau; Ivory Coast; Liberia; Mali (suspended); Niger (suspended); Senegal; Sierra Leone; and Togo.

COMMODITY:

OILSEED, PALM KERNEL

Table 2. Côte d'Ivoire: Commodity, Oilseed, Palm Kernel, Production-Supply-Distribution (PSD)

Oilseed, Palm Kernel Market Year Begins Cote d'Ivoire	2022/2023		2023/2024		2024/2025	
	Jan 2023		Jan 2024		Jan 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	0	0	0	0	0	0
Area Harvested (1000 HA)	300	300	300	300	300	300
Trees (1000 TREES)	0	0	0	0	0	0
Beginning Stocks (1000 MT)	1	1	1	1	1	1
Production (1000 MT)	144	82	144	84	144	85
MY Imports (1000 MT)	1	1	1	1	1	1
MY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
MY Imp. from EU (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	146	84	146	86	146	87
MY Exports (1000 MT)	0	3	0	0	0	0
MY Exp. to EU (1000 MT)	0	0	0	0	0	0
Crush (1000 MT)	142	80	142	82	142	83
Food Use Dom. Cons. (1000 MT)	0	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	3	0	3	3	3	3
Total Dom. Cons. (1000 MT)	145	80	145	85	145	86
Ending Stocks (1000 MT)	1	1	1	1	1	1
Total Distribution (1000 MT)	146	84	146	86	146	87
CY Imports (1000 MT)	0	0	0	0	0	0
CY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
CY Exports (1000 MT)	0	5	0	0	0	0
CY Exp. to U.S. (1000 MT)	0	0	0	0	0	0
Yield (MT/HA)	0.48	0.2733	0.48	0.28	0.48	0.2833
(1000 HA), (1000 TREES), (1000 MT), (MT/HA)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

PRODUCTION

FAS Abidjan forecasts Côte d'Ivoire's palm kernel production in MY 2024/2025 (January-December) at 85,000 MT, up slightly from the MY 2023/2024's estimate figure of 84,500 MT, representing an increase of less of 1 percent. Ivorian palm kernel production remains a relatively minor activity when compared to palm oil production. Of the six palm oil mills processing palm kernels, PALMCI accounts for over 60 percent of the total palm kernel's production processing.

CONSUMPTION

FAS Abidjan forecasts Côte d'Ivoire's total palm kernel consumption to reach 85,000 MT, representing nearly the complete absorption of domestic crop production for that market year. Tracking similarly with Ivoirian MY 2023/2024 palm kernel production figures, the MY 2023/2024 consumption estimate is about 84,500 MT. Palm kernels are utilized by Ivorian palm oil mills to produce palm kernel oil

TRADE

A small quantity of palm kernels is being imported from Liberia for local processing in the mills. However, the imported quantity has been minimal and has decreased by 98 percent over the past four years. Post anticipates palm kernel exports to be insignificant, at 500 MT in 2023/2024. The total palm kernel exports for MY 2024/2025 are estimated to be 140 MT.

COMMODITY:

OIL, PALM KERNEL

Table 3. Côte d'Ivoire: Commodity, Oil, Palm Kernel, Production-Supply-Distribution (PSD)

Oil, Palm Kernel Market Year Begins	2022/2023		2023/2024		2024/2025	
	Jan 2023		Jan 2024		Jan 2025	
Cote d'Ivoire	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush (1000 MT)	142	98	142	104	142	108
Extr. Rate, 999.9999 (PERCENT)	0.4225	0.4286	0.4225	0.4231	0.4225	0.4259
Beginning Stocks (1000 MT)	7	7	6	5	6	2
Production (1000 MT)	60	42	60	44	60	46
MY Imports (1000 MT)	0	0	0	0	0	0
MY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
MY Imp. from EU (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	67	49	66	49	66	48
MY Exports (1000 MT)	20	22	25	25	25	25
MY Exp. to EU (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)	41	22	35	22	35	22
Feed Waste Dom. Cons. (1000 MT)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT)	41	22	35	22	35	22
Ending Stocks (1000 MT)	6	5	6	2	6	1
Total Distribution (1000 MT)	67	49	66	49	66	48
(1000 MT), (PERCENT)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

PRODUCTION

FAS Abidjan forecasts Côte d'Ivoire's production of palm kernel oil (PKO) in MY 2024/2025 (January-December) to reach 36,000 MT, about 1,000 MT higher or nearly 3 percent above Post's MY 2023/2024 estimate of 35,000 MT. However, Post's MY 2024/2025 forecast and its MY 2023/2024 estimate figures diverge from the USDA official figures for both market years by around 40 percent. Post attributes a lower production volume to a growing number of crude palm oil mills either lacking the capability to produce palm kernels due to the absence of extraction equipment and or willingness to operate in a market where palm kernels production is relatively marginal. Post sources comment that some of the mills are choosing to sell their palm kernels to other companies or opting to not produce these at all. At the same time the smaller-scale mills are prone to use residues from CPO extraction as a fuel source instead of further processing into palm kernels.

CONSUMPTION

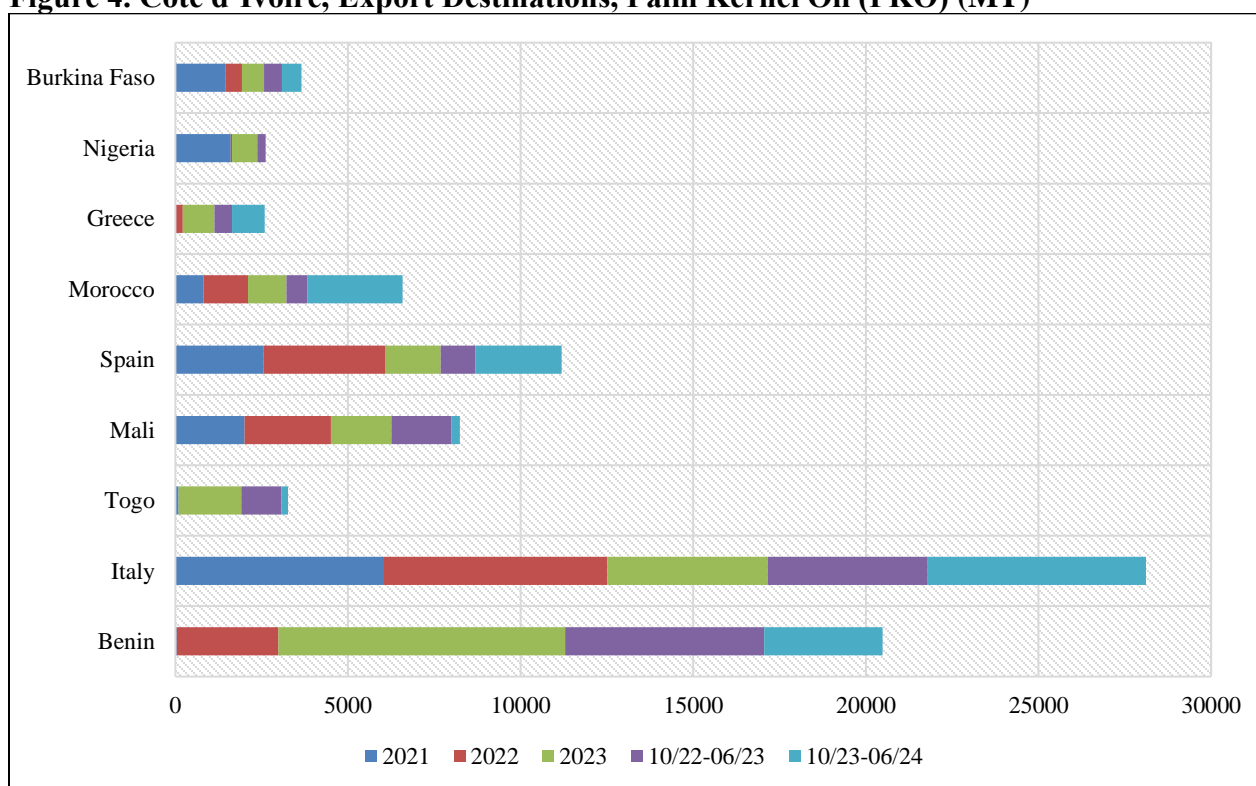
FAS Abidjan forecasts Côte d'Ivoire's PKO total domestic consumption in MY 2024/2025 to reach about 7,000 MT. This represents an improvement of 2,000 MT, or growth of about 40 percent in domestic utilization between the market years. Ending stocks should be coming in close to the 12,000

MT range, some 2,000 MT higher than in MY 2023/2024. Post foresees most of the PKO production volume in MY 2024/2025 again being earmarked for exports.⁹

TRADE

FAS Abidjan forecasts Côte d’Ivoire’s PKO exports in MY 2024/2025 at 27,000 MT, up by 2,000 MT and 8 percent greater compared to Post’s 2023/2024 estimate of 25,000 MT. This represents a continuation of the trend observed for MY 2023/2024 with PKO export volume coming in over 2,200 MT or nearly 10 percent higher than the MY 2022/2023 PKO export figure of 22,800 MT. For the past three market years, Italy, Spain, Mali, Morocco, and Burkina Faso have been Côte d’Ivoire’s PKO key export destinations.

Figure 4. Côte d’Ivoire, Export Destinations, Palm Kernel Oil (PKO) (MT)



Source: Trade Data Monitor, FAS Abidjan/Accra office research.

POLICY

Côte d’Ivoire possesses approximately 300,000 hectares of palm oil plantations. The country was the first African exporter of palm oil and today remains Africa’s second largest producer following Nigeria.

⁹ So, what is the difference between crude palm oil and palm kernel oil? Essentially two types of oil can be produced; crude palm oil comes from squeezing the fleshy fruit, while palm kernel oil comes from crushing the kernel, or the stone in the middle of the fruit. Palm oil is traditionally used for edible purposes such as cooking, frying, and as a food ingredient. Palm kernel oil will normally be utilized for non-edible purposes such as in the manufacture of soaps, cosmetics, and detergents; however, it is also used in commercial cooking and frying because it remains stable at high cooking temperatures, is lower in costs, and allows for a longer shelf life than other vegetable oils.

There are some 32 cooperatives in the country that work in providing production best practices and facilitating access to palm oil mills for the smallholder plantations.

The Inter-professional Association of Oil-Palm Industry (AIPH) is a professional association recognized by Decree No. 2015-127 of March 4, 2015.¹⁰ This association coordinates with every segment of Côte d'Ivoire's palm oil value chain. Specifically, they work with the following:

- FFB producers: National Federation of Cooperatives of Palm-Oil Farmers of Côte d'Ivoire (FENACOPAH-CI) and Association of Professionals of Palm-Oil Agricultural Society (APROSAPCI),
- Agro-industrial companies (oil mills) that produce crude palm oil and those that refine the oil: Organization of Palm Oil Processors (GITHP)

The Palm Oil and Rubber Council (CHPH) provides for regulatory control and serves as a monitoring body for the activities of the palm oil and Hevea (*Hevea brasiliensis*) sectors.¹¹ The palm oil sector through AIPH is well organized. Unlike its counterparts for the coffee-cocoa and cotton-cashew sectors, APIH focuses solely on the regulatory function, not the development function.

The Ivorian government, through the CHPH, regulates the palm oil sector, implementing the national the "Plan Palmier" development plan. The third phase of this plan (2015) has allowed the sector to expand to the crude palm oil 600,000 MT production volume level.

For Côte d'Ivoire, palm oil products represent more than 90 percent of the country's total oilseed products. An increase in raw material utilization will affect the end-use production. Similarly, a rise in the price of fresh fruit bunches will impact the final price of crude palm oil. For the foreseeable future CPO will remain the primary source of Ivorian vegetable oil, the most used cooking oil in the country. Post sources comment that a FFB price increase will push processing units to raise the price of their CPO being sold to refining units.

In December 2020, the Ivorian government convened key oilseed industry stakeholders to help mitigate the onslaught of inflationary pressures. Discussions with industry resulted in price caps on table oil, crude palm oil, and fresh fruit bunches purchased from planters. Regulatory intervention has effectively reduced CPO prices by 16 percent between December 2020 through July 2024.

The Ivorian government's decision to cap the prices for table oil, crude palm oil, and fresh fruit bunches has impacted market competitiveness. In 2023, the average cost-insurance-freight (CIF) Rotterdam price for olein remained consistently several dozen U.S. dollars below that of crude palm oil, its raw material component. This discrepancy is attributed to subsidies being provided by rival producer countries to their crude palm oil refining industries, thereby producing olein at a lower cost. Post sees an influx of Asian low-cost olein heading to the West African markets, undermining the competitiveness of the Ivorian palm oil refiners. These subsidies are intensifying competition, making it increasingly challenging for local Ivorian refiners to maintain their market position, despite government regulatory

¹⁰ The Inter-professional Association of Palm-Oil Industry (Association Interprofessionnelle de la Filière Palmier – known also by its French acronym AIPH).

¹¹ The Palm Oil and Rubber Council (Conseil Hevea Palmier à Huile – is known also by its French acronym CHPH). Hevea is often referred to as rubberwood.

efforts. Compounding matters, in 2024, Ivorian environmental agencies commenced inspecting palm oil mills, leading to the closure of several facilities due to non-compliance with regulations.

Attachments:

No Attachments.