



MAXIMIZING MPO TRADE OPPORTUNITIES IN MIDDLE EAST AND NORTH AFRICA

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MPOC

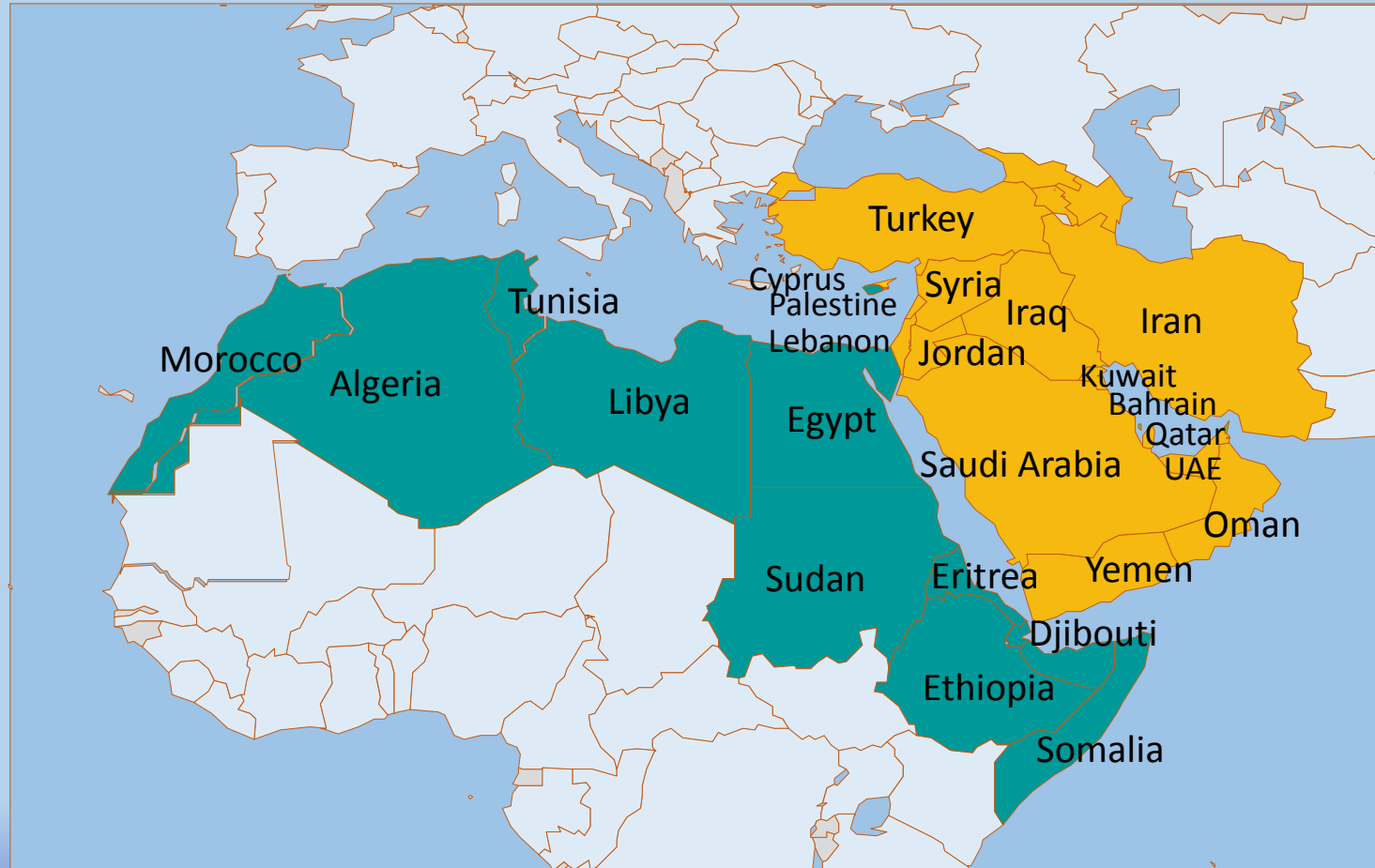


PRESENTATION OUTLINES

- OILS AND FATS SCENARIO
- PALM OIL IN THE REGION
- MALAYSIAN PALM OIL
- POTENTIALS
- EXPANSION PLAN AND STRATGIES



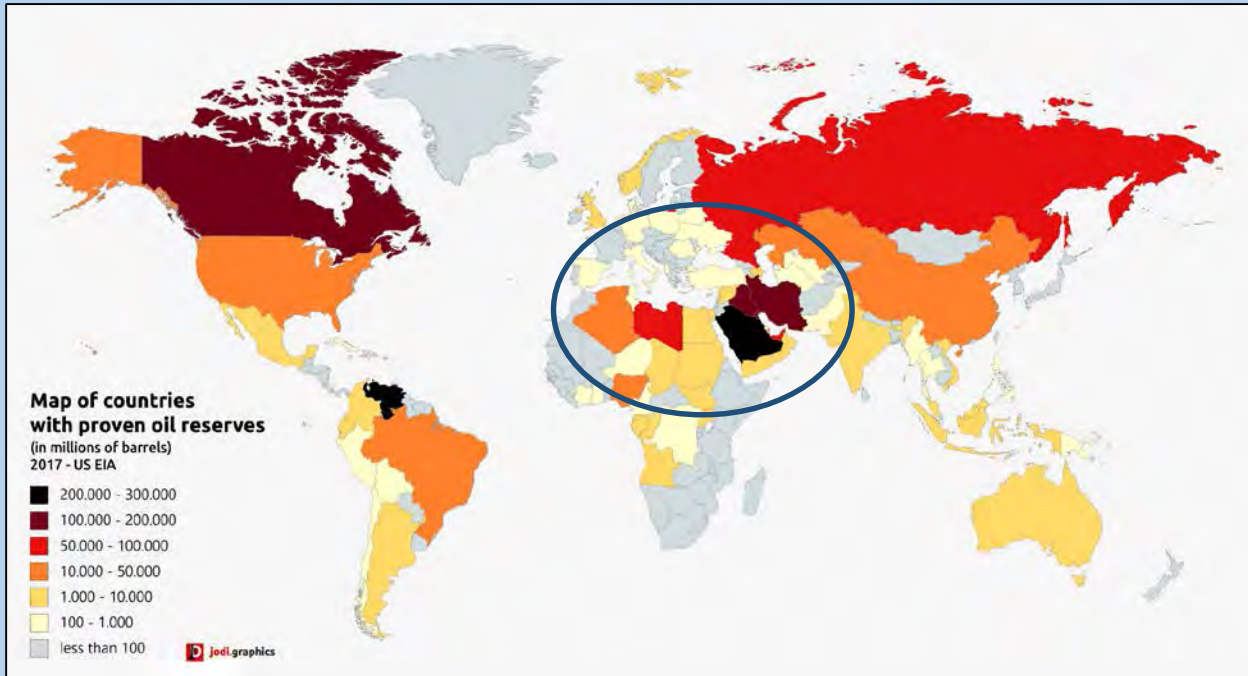
MENA Market Coverage



25 Countries
706 Million People



The Importance of the Region



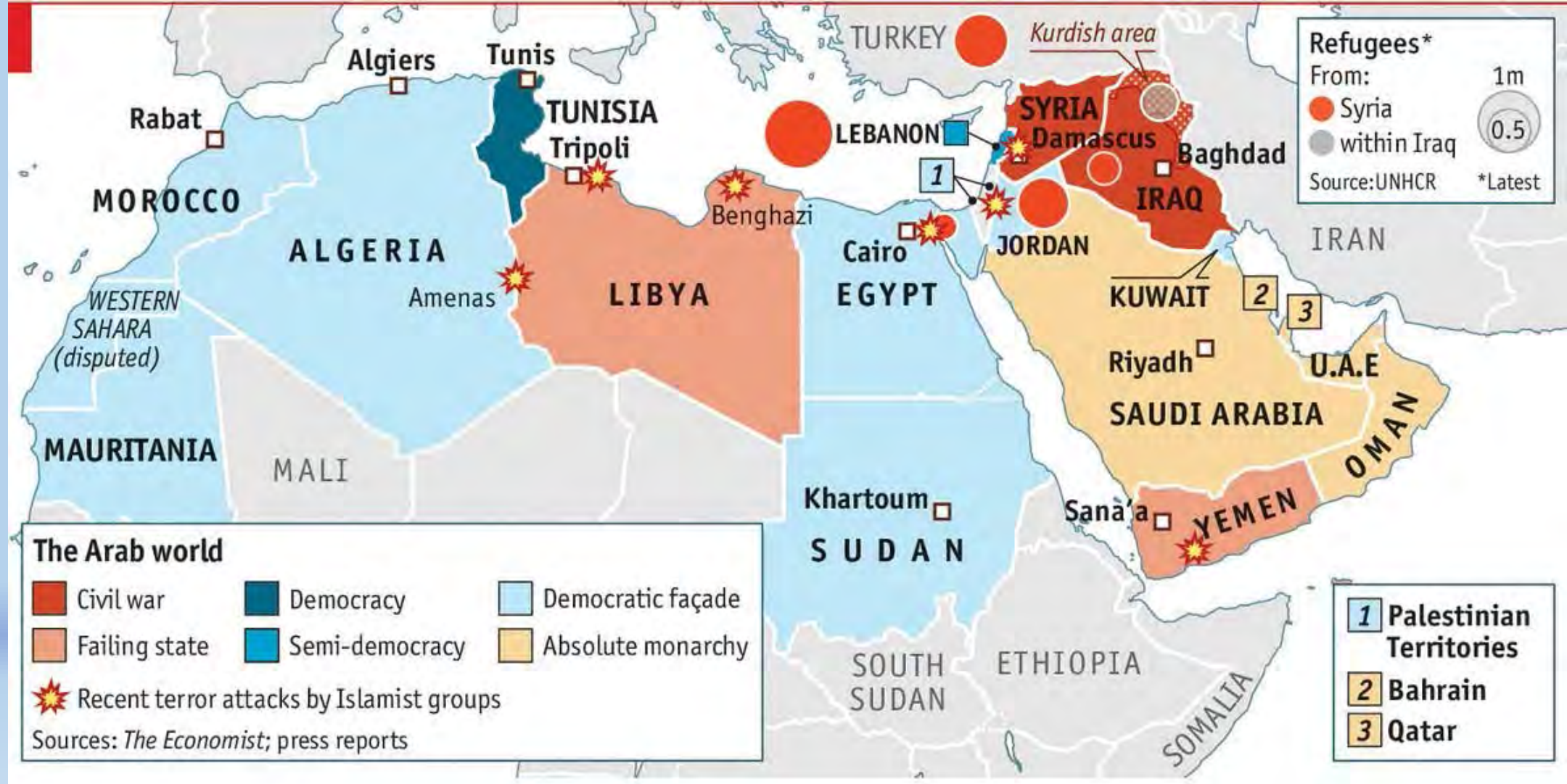
- The region is strategically located in between Far East and Europe trading route



- They are among the largest oils and gas producers

Source: Al Masah Capital Research

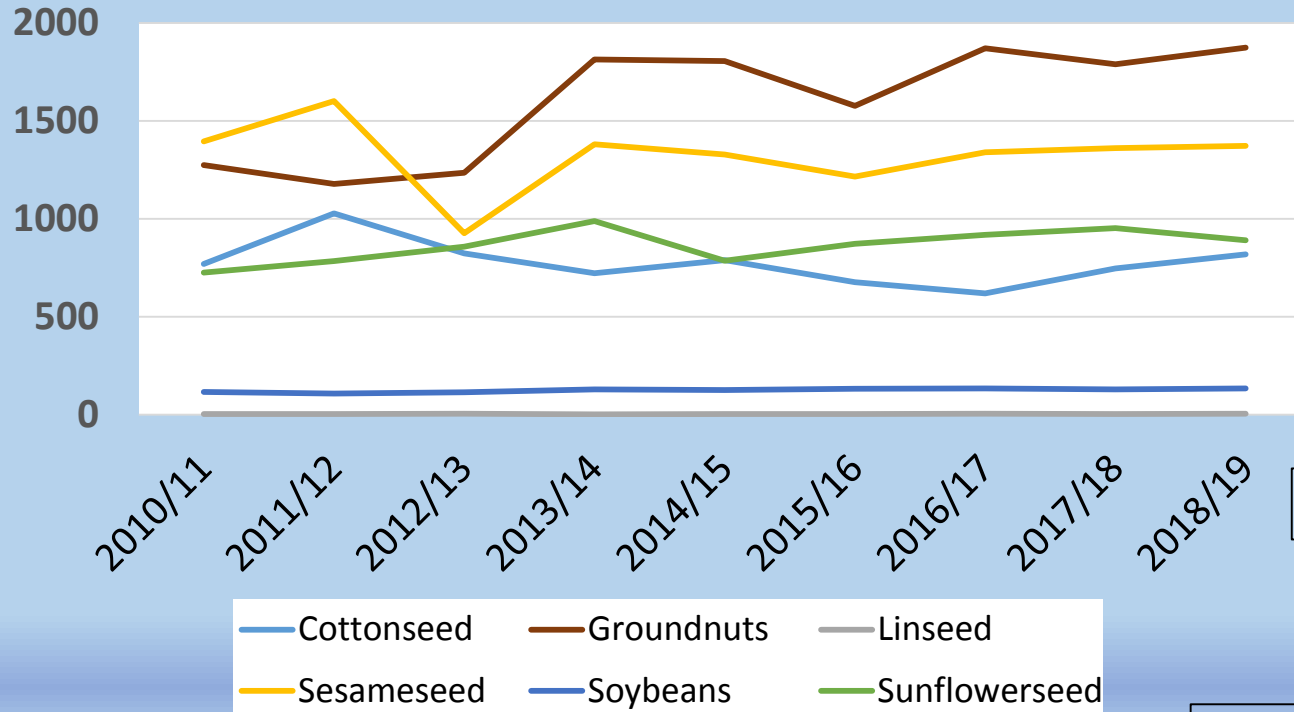
But... The challenge lies in the ongoing crisis



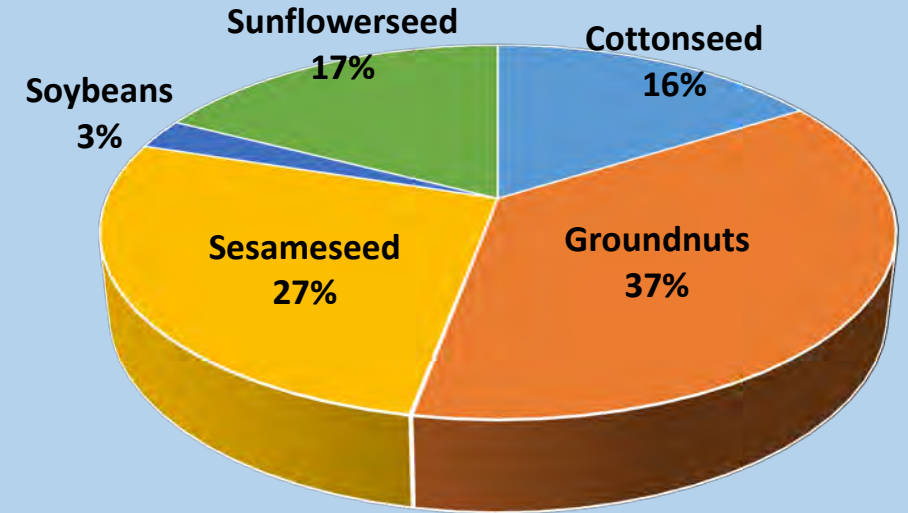
MENA - Oilseed Cultivation



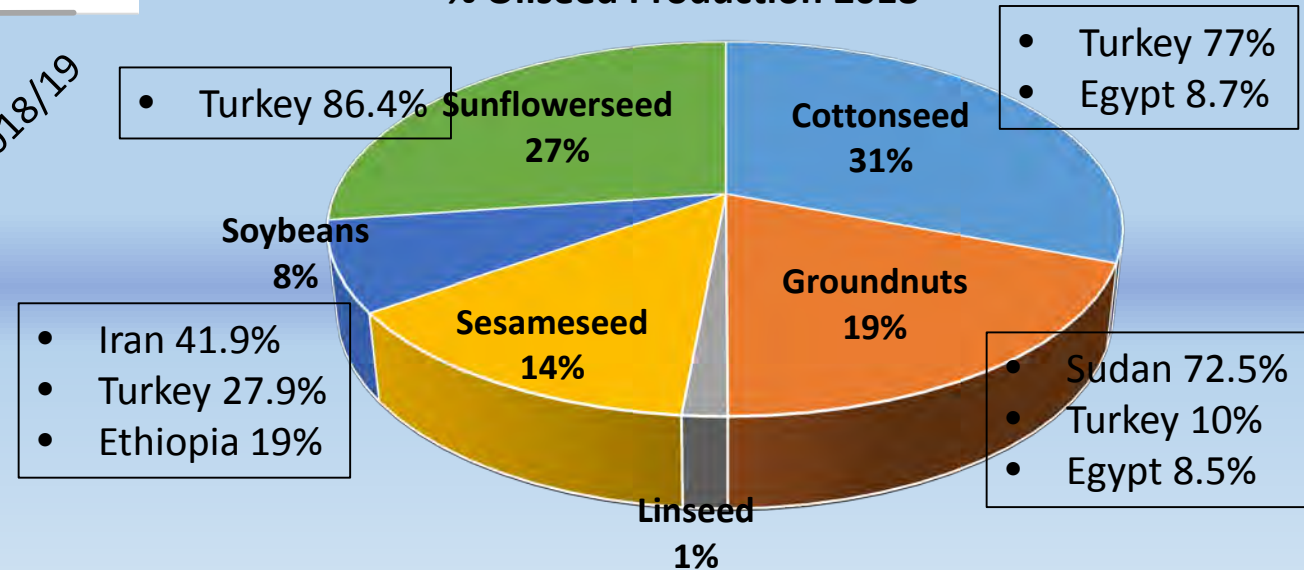
Oilseed Area ('000 ha)



% of Land Area for Major Oilseed (2018)



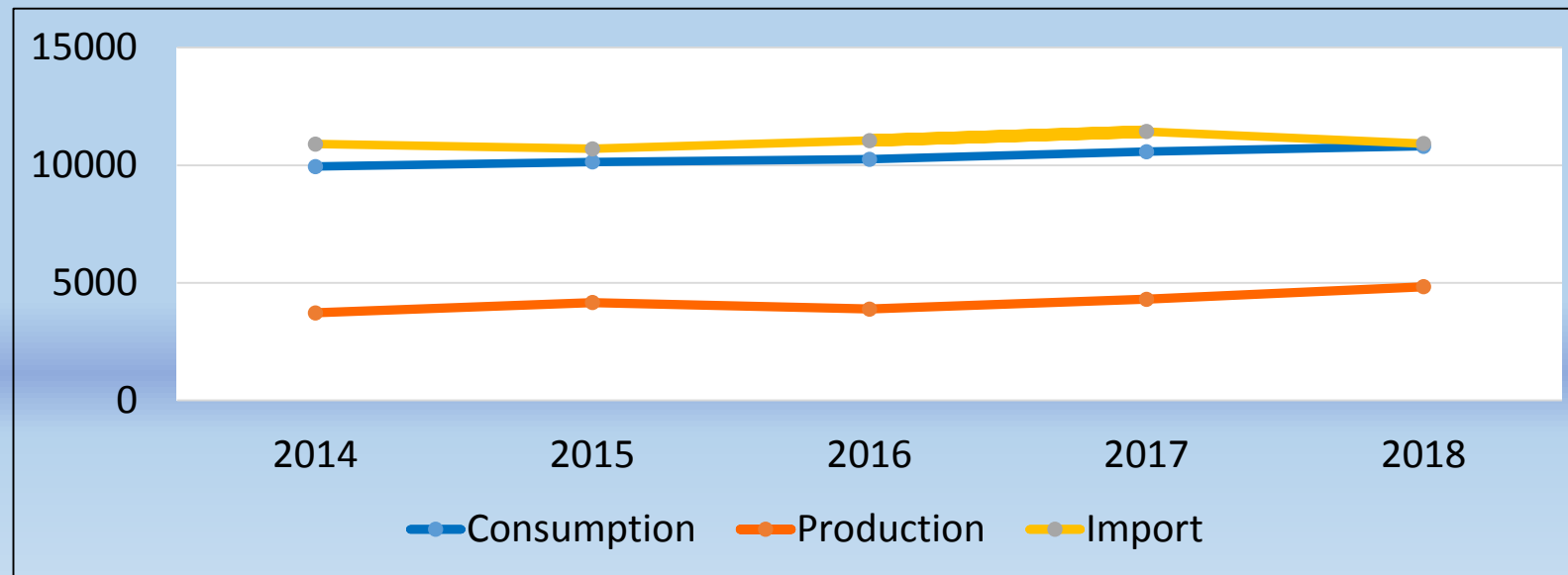
% Oilseed Production 2018



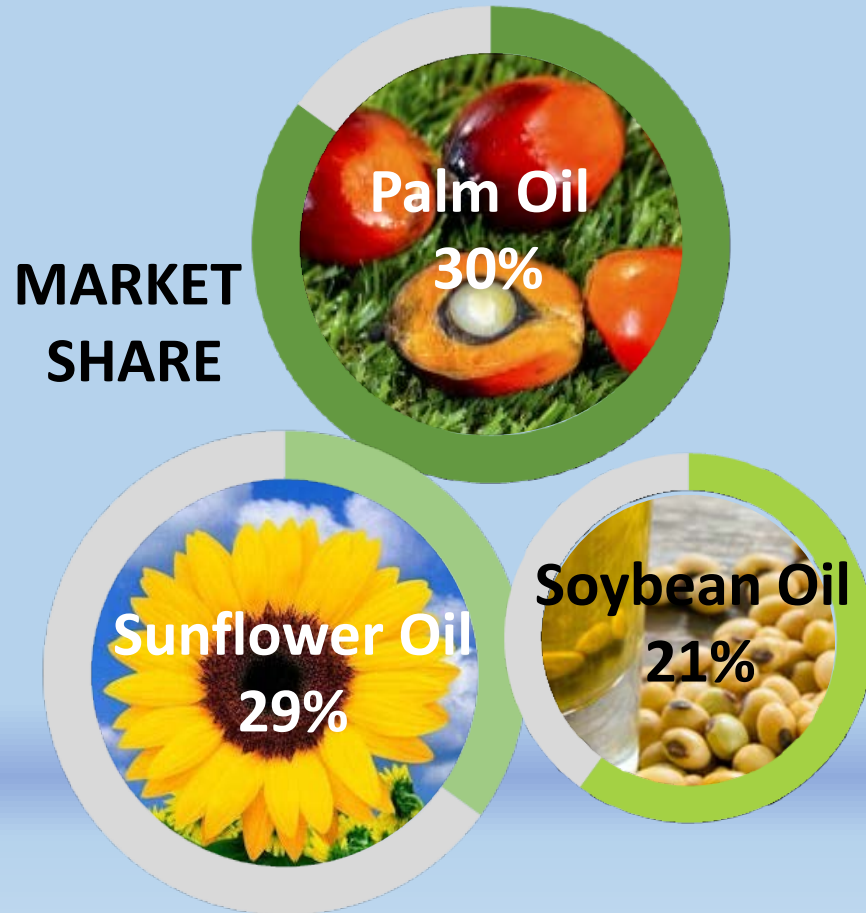


MENA Oils and Fats Supply and Demand ('000 MT)

	2014	2015	2016	2017	2018
Consumption	9942.2	10136	10251.4	10578.2	10806.6
Production	3726.5	4164.2	3883	4302	4837
Import	10899.6	10695.4	11049.5	11432.4	10921.8



MENA Oils and Fats Consumption



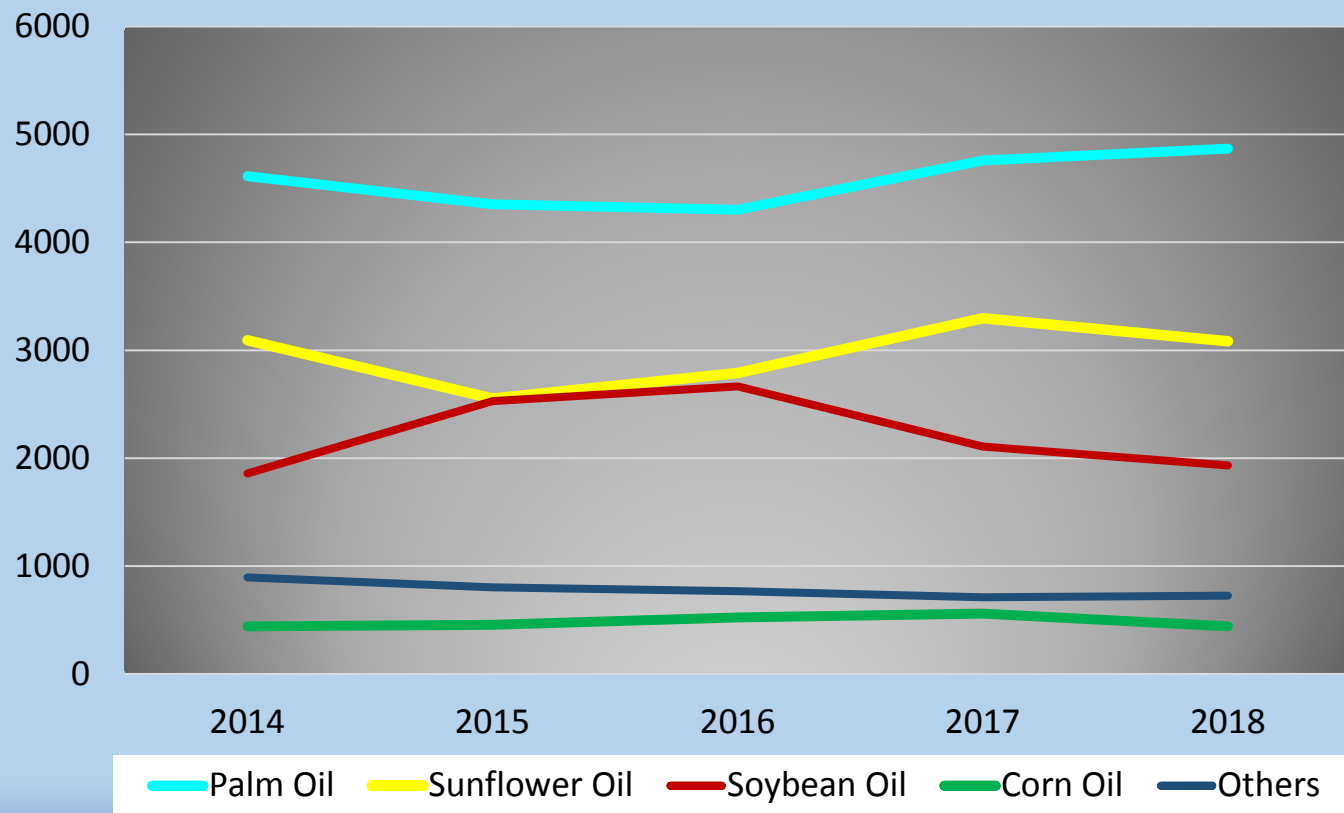
HIGH PERCAPITA CONSUMPTION : average 34 kgs
(Cyprus, Lebanon, Turkey, UAE, Libya and Tunisia)

MID PERCAPITA CONSUMPTION : average 20 kgs

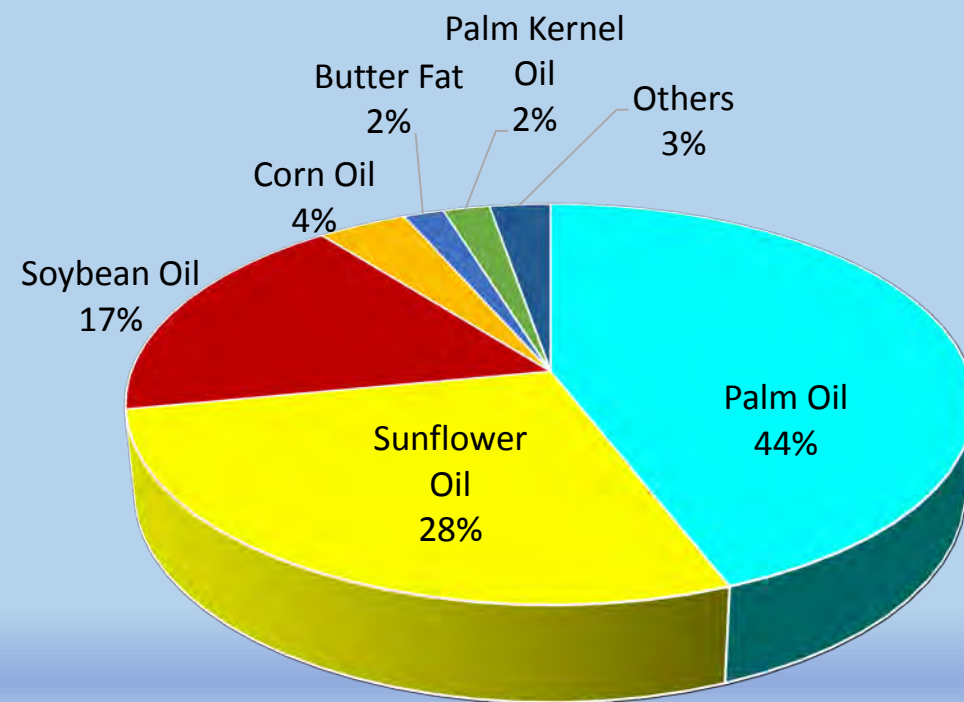
LOW CONSUMPTION COUNTRIES AVERAGE : 8kg
(Yemen, Ethiopia, Libya, Somalia, Sudan)



MENA Oils and Fats Import

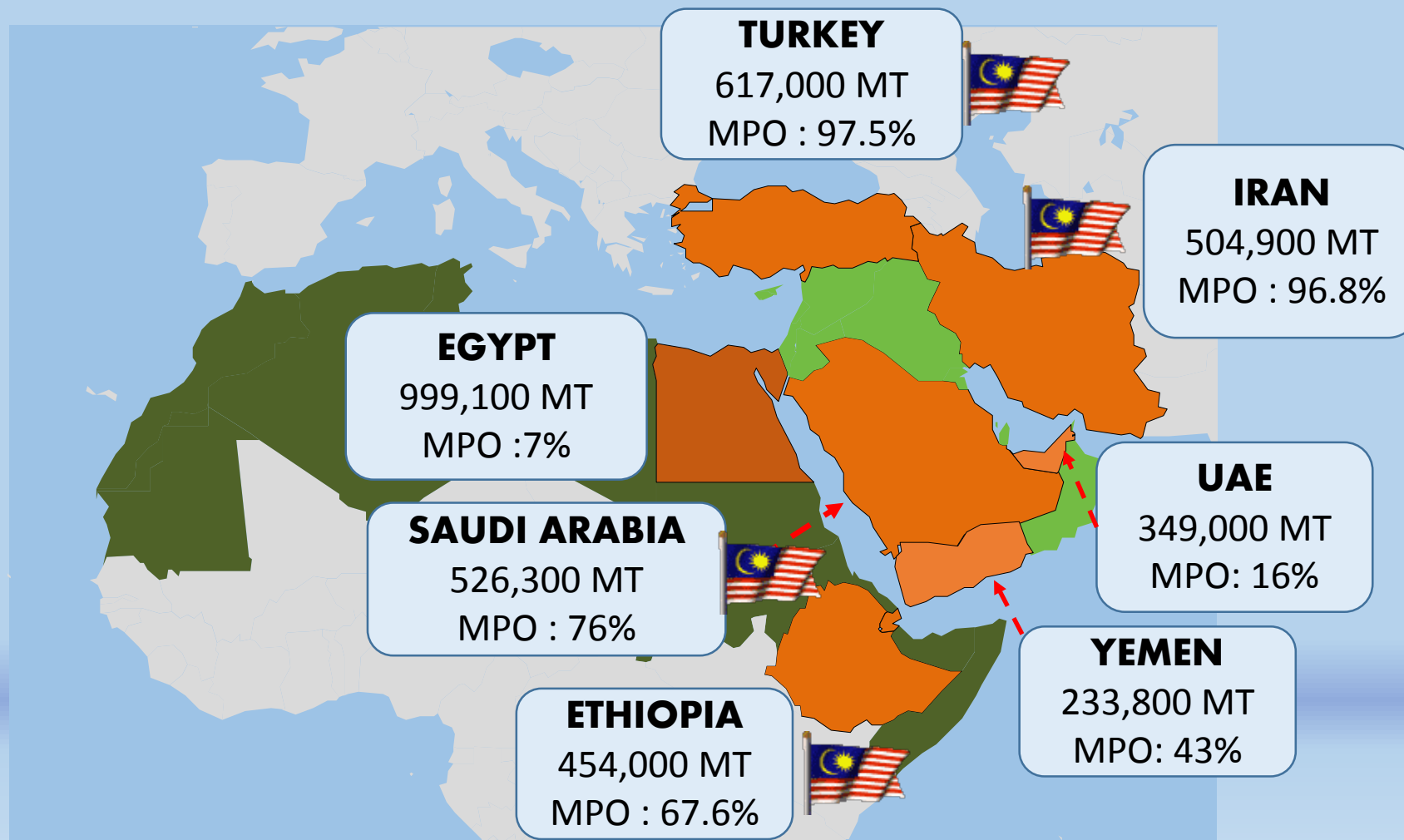


MENA OILS FATS IMPORT 2018



	2014	2015	2016	2017	2018
Total Import ('000 MT)	10,900	10,695	11,050	11,432	10,922

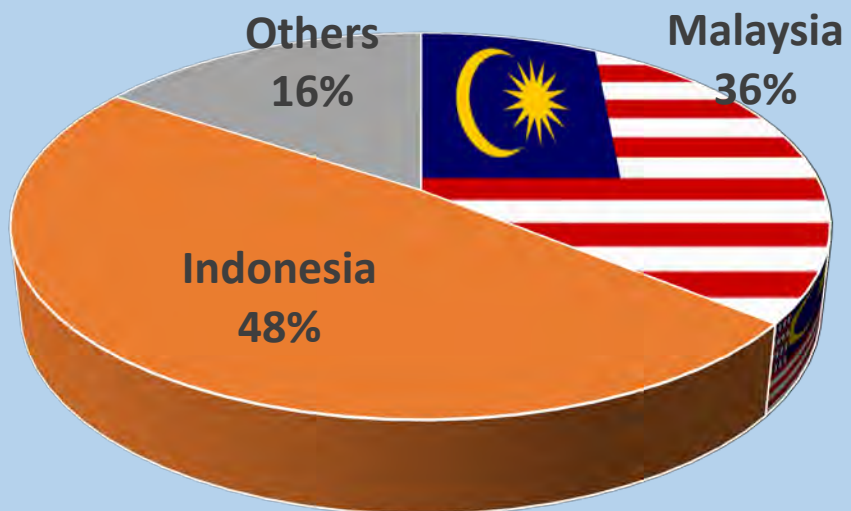
MENA Main Palm Oil importing Countries



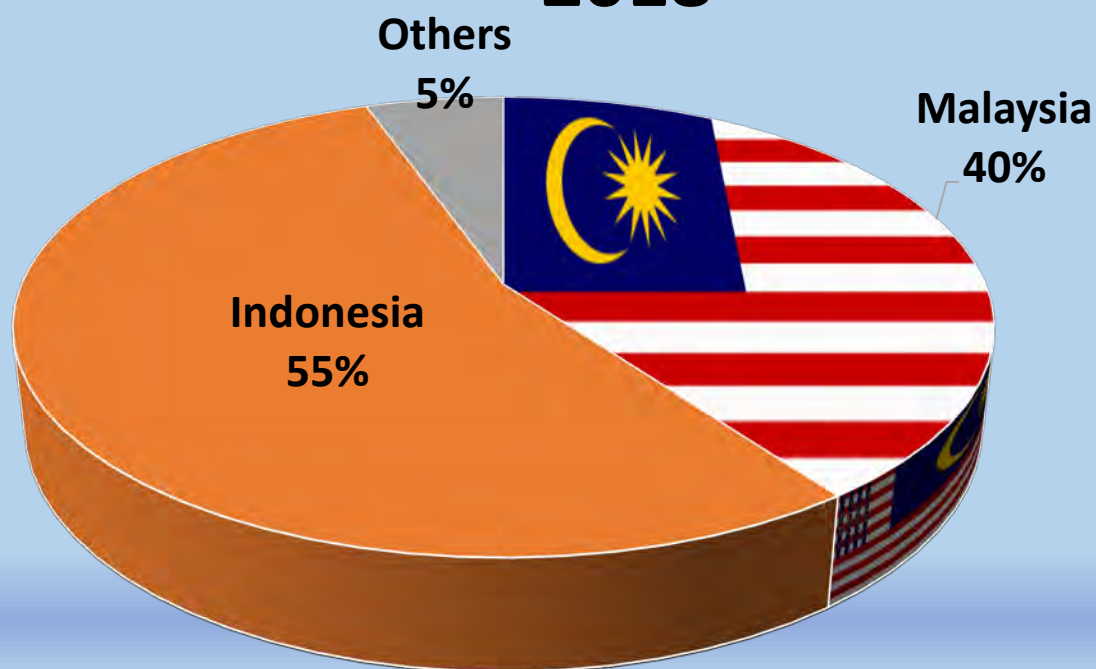
2018 ('000 MT)		
1.	Egypt	999.1 21%
2.	Turkey	617 13%
3.	Saudi Arabia	526.3 11%
4.	Iran	504.9 10%
5.	Ethiopia	454 9%
6.	UAE	349 7%
7.	Yemen	233.8 5%
8.	Oman	182.7 4%
9.	Sudan	186 4%
10.	Algeria	168.8 3%
11.	Iraq	164.5 3%
	Others	482 10%
		4868.1 100%

MENA MPO and IPO in the Region

2014



2018



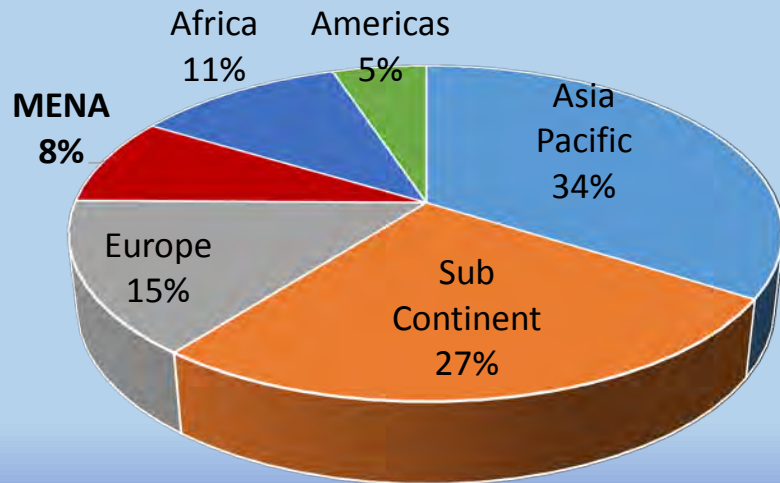
Malaysian Palm Oil in the Region



Middle East & North Africa (MENA)

2014

In 2014, MENA Region only accounted for 8% of the total Malaysian Palm Oil Export

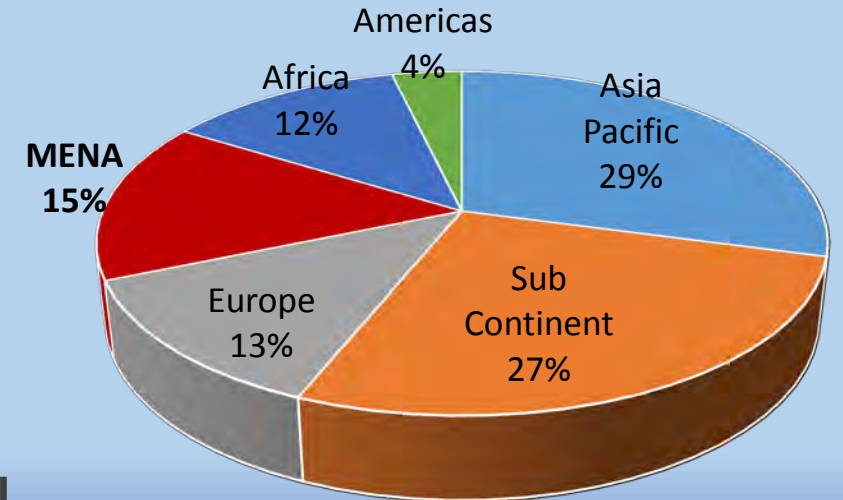


MIDDLE EAST AND NORTH AFRICA

The market has assumed larger percentage of Malaysian palm oil export share over the last 5 years.

2018

The market has grown to 16%, and becoming the third largest MPO export destination

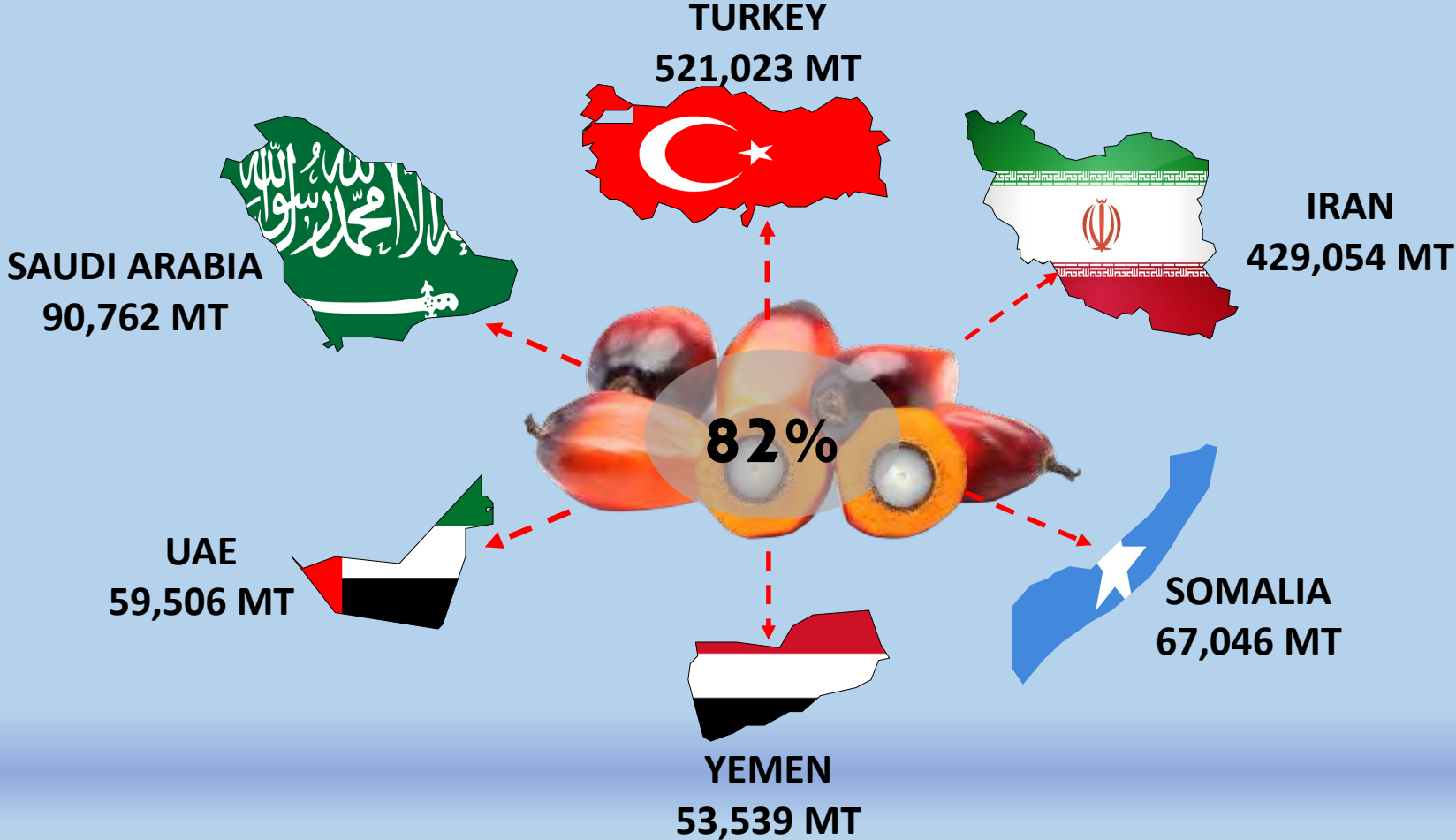


MENA Top 10 Importing Countries

	2014	2015	2016	2017	2018
Turkey	77,682	398,729	657,001	679,667	631,887
Iran	447,058	330,930	363,221	523,515	487,923
Saudi Arabia	121,837	67,081	177,161	376,551	371,380
Djibouti	29,266	54,764	80,213	137,995	216,190
Ethiopia	51,435	94,050	136,232	173,591	148,647
Yemen	80,384	88,031	35,501	74,206	97,055
Oman	17,473	19,439	8,000	38,443	83,136
Somalia	55,765	61,306	80,381	82,322	77,929
Egypt	349,172	209,524	151,649	191,612	67,338
UAE	84,613	76,805	66,055	83,774	56,530
Total	1,314,686	1,400,660	1,755,412	2,361,676	2,238,015
%	90%	87%	90%	92%	91%



MENA Major MPO Importing Countries (2019*)



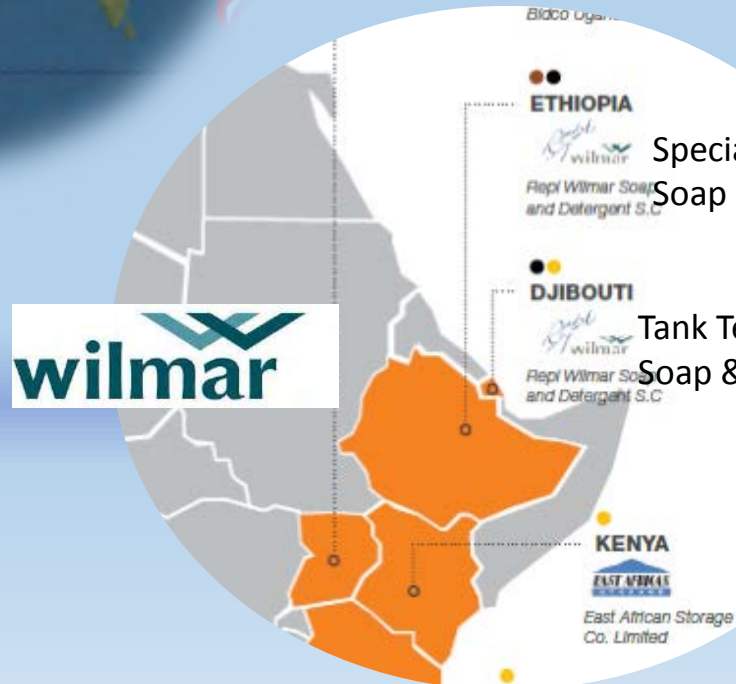
Total Import by Region : 1,497,863 MT

* Jan – Sept 2019
Source : MPOB

Major Players in the Region



Etihad Food Industries Company Limited, Iraq



MENA Market Potential



700
Million
people

Population
9% of the total
world population.

<10
kgs

**Low per Capita
Consumption**
In some countries, per
capita consumption are
still very low

30%

**Palm Oil
Consumption**
Rooms for
Expansion





Middle East & North Africa (MENA) Oils & Fats Overview

MENA: Malaysian Palm Oil Import Projection					
	2018	2019F	2020F	2021F	2022F
Total Population (Mn)	706.8	717.6	728.6	739.7	751.0
Oils & Fats Consumption ('000 MT)	10,806.6	11,130.8	11,464.7	11,808.7	12,162.9
Total Oils and Fats Import ('000 MT)	10,921.8	11,275.5	11,501.0	11,731.0	11,965.6
Total Palm Oil Imports ('000 MT)	4,868	5,074.0	5,175.4	5,279.0	5,384.5
MPO Imports (('000 MT)	1946.2	2,029.6	2,225.4	2,428.3	2,692.3
Potential MPO Increase ('000 MT)		83.39	195.86	202.88	263.95
PO Share against total import	45%	45%	45%	45%	45%
MPO Share	40%	40%	45%	50%	55%

Market Expansion Plan Strategy



1

Improve Market Expansion

- Increase the presence and participation of Malaysian players and interact with local stake holders.
- Technical Marketing activities to provide support in palm oil application and usage.

2

Tapped Into Growing Areas

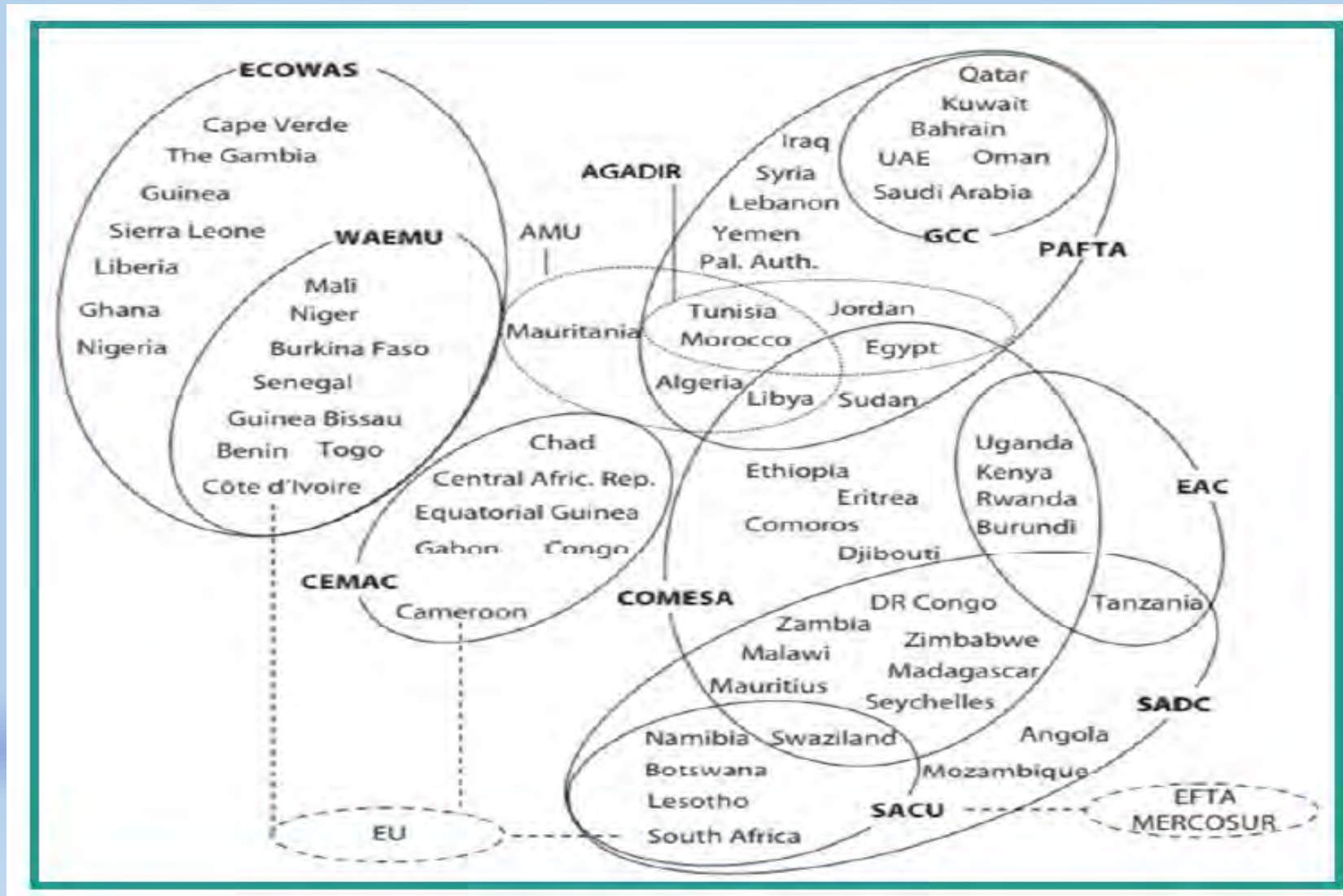
- Markets such as Yemen, Ethiopia, Somalia and Sudan have very low per capita consumption. Investment or JV effort in the area could facilitate demand from small buyers with foreign exchange limitation.

3

Proactive Initiative to Supply Palm Oil to Conflict Areas

- MPO suppliers to plan ahead and prepare for post war and nation rebuilding areas and establish presence in the third countries:-
ie : Supplying to Yemen through Oman
Supplying to Syria through Turkey

Network of Regional Grouping in Africa and Middle East



Source : Dr. Nasser Saidi and Athira Prasad for MENA –OECD Working Group on Investment and Trade



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