



***Palm Oil Market Dynamics and Exploring
Opportunities with MPOC***

Hakan Alkan

***Regional Manager, Malaysian Palm Oil
Council Turkey Office***



Countries Under Turkey Office

- Iran
- Iraq
- Syria
- Bosnia
- Serbia
- Macedonia
- Montenegro
- Kosova



Straddling the continents of Europe and Asia, Turkey is strategically located within the proximity of the European and Middle East markets.

With this advantage, Turkey offers large consumer markets for palm oil and palm products and diverse domestic and export oriented market opportunities.



Malaysian Palm Oil Export To Countries In This Region

Country	Jan – June 2022	Jan – June 2021	Difference (MT)	Change %	Jan – Dec 2021
Turkey	436,577	299,846	136,731	45.6	703,588
Iran	110,530	309,344	(98,814)	-64.27	404,320
Iraq	29,232	7,848	21,384	272.48	9,920
Syria	26,757	8,623	18,134	210.3	26,532
Serbia	23	389	(366)	-94.09	412
Bosnia	24	24	-	-	24
Macedonia	106	173	(67)	-38.73	337
Montenegro	191	48	143	297.92	259
TOTAL	603,440	626,295	(22,855)	(3.65)	1,145,392

Source : MPOB



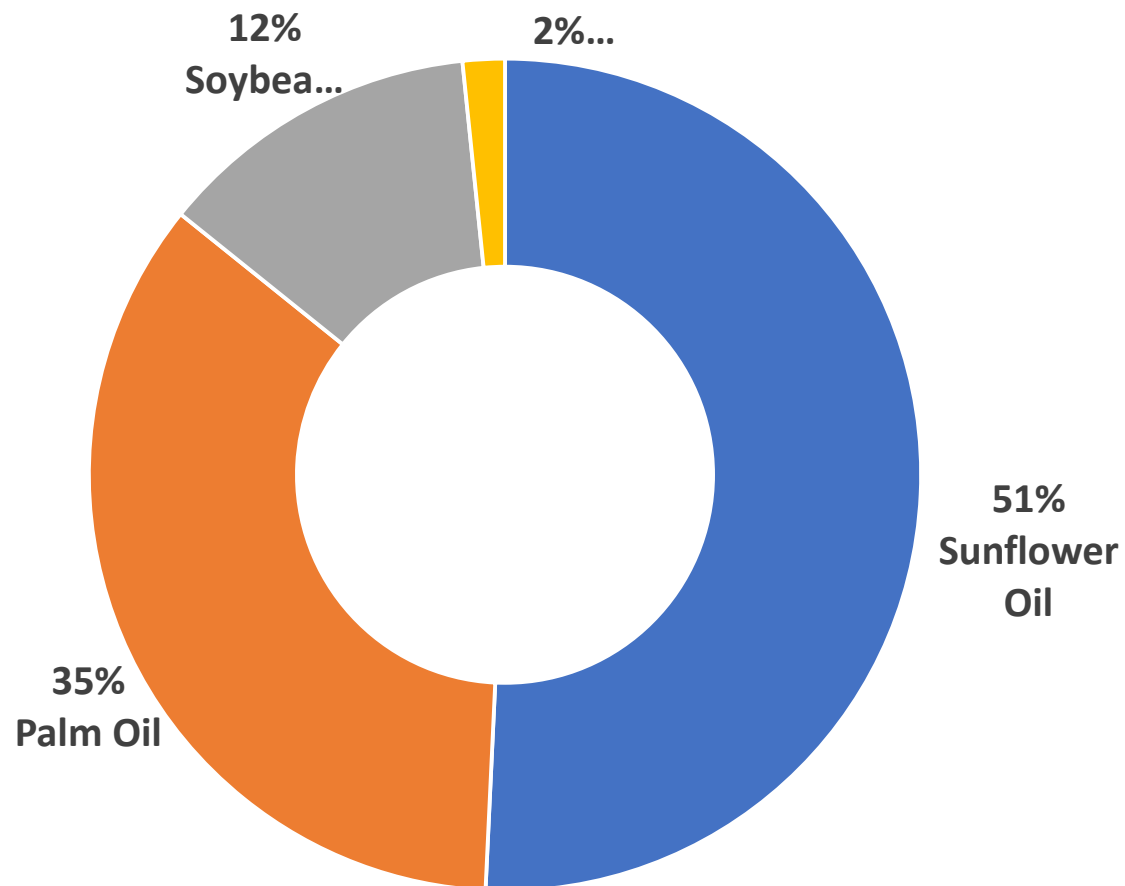
Oils and Fats Situation in Turkey and Region – 2021

	Production	Exports	Imports	Consumption	Population	Caput Use
Turkey	1,997,000	980	1,760,000	2,762,000	85,000,00	33.3
Iran	700,000	-	1,120,000	2,177,000	84,000,00	23.9
İraq	284,000	-	816,000	1,100,000	40,000,00	20
Serbia/Montenegro	376,200	253,400	58,100	180,000	8,700,000	20
Macedonia	10,200	-	58,500	58,600	2,100,000	27.2
Bosnia – Hersec	44,900	62,400	74,800	60,000	3,300,000	18.3

Source : Oil World



Import of Oils and Fats in Region



2021 Oils & Fats Import : 3.88 million MT

Sunflower is a staple to the Region as it is locally produced and mainly used in home cooking.

In 2021, sunflower oil became the most imported oil at 1.306,000 MT as local production is not enough to meet demand.

Palm oil is the second most consumed oil with a share of 35% in the overall consumption.



Opportunities and Potentials

- ✓ A bilateral free trade agreement between Malaysia and Turkey (MTFTA) was signed and concluded in April 2014. Malaysia-Turkey FTA came into force on 1 August 2015. Import duty of MPO reduced to 21.8% from 31.2%.
- ✓ As the processed food market continues to grow, the demand for imported food ingredients is rising in Turkey.
- ✓ Iraq is promising market in the region registered with 40 million population and low per capita consumption which is 20kg which leaves much room for more intake of oils and fats.
- ✓ Malaysian end product producers have big chance to export IRAQ & SYRIA via Turkey



Potential for Collaborations with the Market and Malaysian Exporters/ Industry Players

Turkey: High potential for palm oil to be used as blended cooking oil in Turkey.

Iraq: Malaysian palm oil companies should consider opening a physical plant as Iraq can serve as a hub for surrounding countries.

Iran : Lack of technology of producing all types specialty fats. Iranian companies welcomes joint venture investment of specialty fats processing facility in Iran

Conclusions



- ✓ Region is a net importer oils and fats.
- ✓ Turkey is the biggest of importer palm oil in the region and followed by Iran.
- ✓ Sunflower oil is the most imported oil to be used mainly for home cooking.
- ✓ Palm oil is the second largest imported oil in the region to produce palm based industrial fats to be used in out of home use.
- ✓ The region offers the opportunity to become a hub for Malaysian palm oil.
- ✓ High potential for palm oil to be used as blended cooking oil in the region.
- ✓ MPOC Istanbul office will continue to support expansion of MPO market in this region and increase its competitiveness in other market as well.



Thank You



E Mail : hakan@mpocistanbul.com
www.mpoc.org.my