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Report Highlights:

Indonesia palm oil production for 2023/24 is forecast at 46 million metric tons (MMT), an increase of 3 percent from the previous year. Weather agencies are forecasting a developing El Nino weather pattern in the second half of 2023 that might bring on severe dryness. Soybean imports are expected to rise to 2.65 MMT for 2023/24 on continued rising demand from the soy-based food industry.

Commodity:

Oil, Palm

Production

Indonesia palm oil production is forecast at 46 million metric ton (MMT) for 2023/24, a 3 percent increase from 2022/23 of 44.7 MMT on improved yields, assuming no significant weather impacts for the rest of 2022/23.

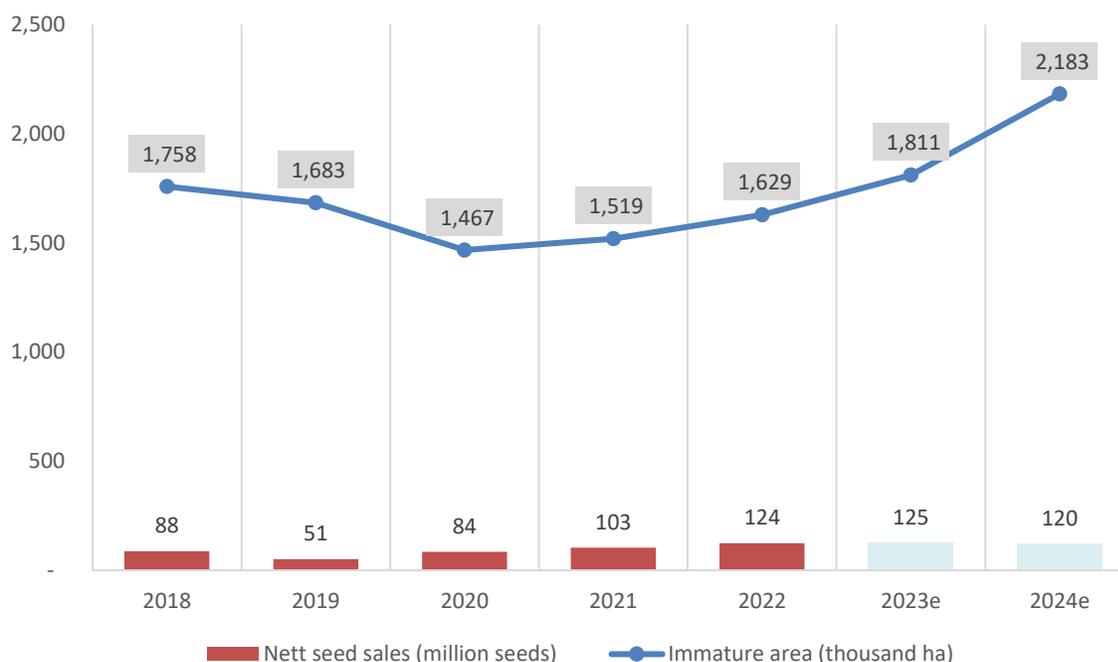
Weather agencies forecasts indicate a developing El Nino weather pattern. As the La Nina pattern faded to neutral in the first half of 2023, the national weather agency (BMKG) [predicted](#) that there would be a 50 to 60 percent chance the weather pattern would shift to an El Nino pattern in the second half of 2023. In 2015, [El Nino](#) caused severe dryness, water deficits, longer periods of no rainfall, reduced fruit setting and flowering, and ultimately lowered Indonesia palm oil output.

Figure 1. Indonesia: Manure Application and Smallholder Plantation in Kalimantan

Source: FAS Jakarta (2023)

Post estimates 2023/24 palm oil mature area will reach 14.5 million hectares, assuming limited expansion and continued replanting efforts. Based on seeds sales data, estimated immature area continued to grow to 2.2 million hectares in 2024 from 1.5 million hectares in 2020. The majority of seeds are used by large-scale plantations, while a smaller quantity is used for smallholder replanting programs or exported. The smallholder replanting program reached 273,000 hectares from 2016-2022.

Figure 2. Indonesia: Immature Area (thousand ha) and Palm Seed Sales 2018-2024e



Source: Industry contacts, processed by FAS. Estimate number for 2023-2024.

Consumption

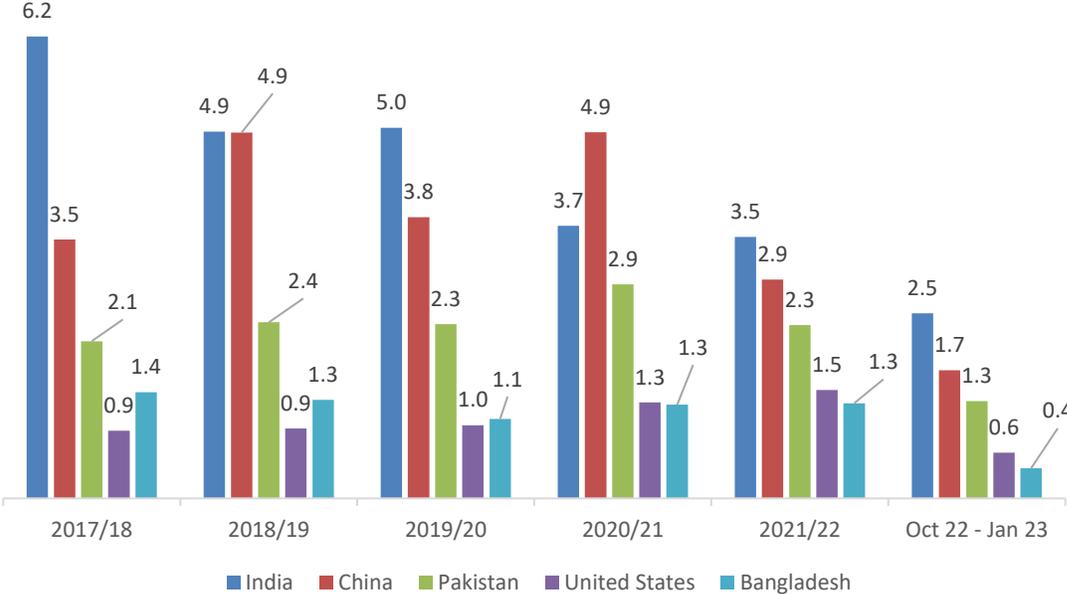
Post expects Indonesia 2023/24 palm oil consumption to rise by 5 percent to 19.9 MMT from 18.9 MMT in 2022/23 on increasing industrial and food use. Implementation of the new B35 blending rate officially started in February 2023. However, Indonesia's largest fuel retailer [Pertamina](#) needs more time to adjust its infrastructure in certain regions in order to accommodate the new rate, delaying full implementation of B35 distribution by around 6 months. Therefore, Post revises up 2022/23 palm oil industrial use 12 percent to 11.8 MMT. Assuming the Government of Indonesia (GOI) maintains the blending rate at 35 percent and fuel use growth at 2 percent, palm oil consumption for industrial use is expected to reach 12.7 MMT for 2023/24. Indonesia's biodiesel industry relies more on its own mandatory blending program than on export markets. In 2022, the industry shipped only 4 percent of production volume to export markets as the palm oil price moved below gasoil prices in the second semester. In the food sector, palm oil consumption is projected to rise by 100,000 MT to 6.9 MMT for 2023/24, on continued growing demand from households and the food industry.

Trade

Post forecasts 2023/24 Indonesian palm oil exports at 28.5 MMT, a slight increase from 2022/23 of 28.4 MMT on continued demand from major market such India, the People's Republic of China (PRC), and Pakistan. Post revises 2022/23 exports down slightly to 28.4 MMT due to [the GOI's export restriction](#) policy to secure domestic cooking oil supplies ahead of Ramadan and Eid Festivities between February to May 2023.

Indonesia palm oil exports reached 10.7 MMT for October 2022 to January 2023, 46 percent higher than the same period the previous year, reflecting the relaxation of Indonesia’s Domestic Market Obligation (DMO) policy. Demand from India for the remainder of 2022/23 depends on palm oil’s price spread vis-à-vis other vegetable oils, while PRC demand will likely be aligned with its economic performance following the easing of its “zero-covid” policy.

Figure 3. Indonesia: Top 5 Palm Oil Export Destinations, 2018-2023 (MMT)



Source: Trade Data Monitor, LLC

Table 1. Production, Supply and Distribution for Palm Oil, 2021/22-2023/24

Oil, Palm	2021/2022		2022/2023		2023/2024	
Market Begin Year	Oct-21		Oct-22		Oct-23	
Indonesia	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	12,300	14,900	12,500	14,800		14,500
Beginning Stocks	5,502	5,502	8,577	8,577		5,967
Production	43,200	43,200	45,500	44,700		46,000
MY Imports	-	-		-		-
Total Supply	48,702	48,702	54,077	53,277		51,967
MY Exports	22,321	22,321	28,450	28,400		28,500
Industrial Dom. Cons.	10,000	10,000	10,700	11,800		12,700
Food Use Dom. Cons.	6,650	6,650	6,900	6,800		6,900
Feed Waste Dom. Cons.	1,154	1,154	400	310		320
Total Dom. Cons.	17,804	17,804	18,000	18,910		19,920
Ending Stocks	8,577	8,577	7,627	5,967		3,547
Total Distribution	48,702	48,702	54,077	53,277		51,967
	0	0	0	0	0	0

(1000 HA) ,(1000 TREES) ,(1000 MT)

Commodity:

Oilseed, Palm kernel

Production

Palm kernel (PK) production is estimated at 6 percent of total fresh fruit bunch (FFB) weight; therefore, PK production is forecast to reach 12.2 MMT in 2023/24 and 11.8 MMT in 2022/23.

Consumption

Local millers are expected to crush 12 MMT in 2023/24 and 11.7 MMT of PK in 2022/23, producing palm kernel oil (PKO) and palm kernel meal (PKM)

Trade

Palm kernel exports are forecast at 40,000 tons in both 2023/24 and 2022/23. Malaysia is expected to remain a major destination for Indonesian PK exports.

Table 2. Production, Supply and Distribution for Palm Kernel, 2021/22-2023/24

Oilseed, Palm Kernel Market Begin Year	2021/2022		2022/2023		2023/2024	
	Oct-21		Oct-22		Oct-23	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Indonesia						
Beginning Stocks	41	41	51	51	-	46
Production	11,400	11,400	11,600	11,800	-	12,150
MY Imports	-	-	-	-	-	-
Total Supply	11,441	11,441	11,651	11,851	-	12,196
MY Exports	4	4	20	40	-	40
Crush	11,300	11,300	11,480	11,680	-	12,000
Food Use Dom. Cons.	-	-	-	-	-	-
Feed Waste Dom. Cons.	86	86	85	85	-	85
Total Dom. Cons.	11,386	11,386	11,565	11,765	-	12,085
Ending Stocks	51	51	66	46	-	71
Total Distribution	11,441	11,441	11,651	11,851	-	12,196
	-	-	-	-	-	-

(1000 HA) ,(1000 TREES) ,(1000 MT)

Commodity:

Oil, Palm kernel

Production

Post estimates Palm kernel oil (PKO) production of 5.3 MMT in 2023/24 and 5.1 MMT in 2022/23, based on 12 MMT and 11.7 MMT of PK to be crushed, respectively.

Consumption

PKO industrial use is expected to remain stable at 3.2 MMT for both 2023/24 and 2022/23 on continued demand from oleochemical manufacturers and the homecare products industry. In the food sector, PKO serves as a cheaper replacement for coconut oil and substitute for cocoa butter in chocolate confectionaries. PKO food sector use is projected to increase by 10,000 MT to 540,000 MT in 2023/24 in line with population growth.

Trade

Post forecasts 2023/24 PKO exports at 1.6 MMT, an increase of 50,000 MT from 2022/23 on higher global demand. For 2022/23, increased domestic demand and the imposition of an export levy on palm products, including PKO, resulted in a slower export pace for 2022/23. In 2021/22, 70 percent of PKO exports were shipped to only four destinations: the PRC, the United States, Brazil, and the Netherlands.

Table 3. Production, Supply and Distribution for Palm Kernel Oil, 2021/22-2023/24

Oil, Palm Kernel Market Begin Year	2021/2022		2022/2023		2023/2024	
	Oct-21		Oct-22		Oct-23	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Indonesia						
Crush	11,300	11,300	11,480	11,680		12,000
Extr. Rate, 999,9999	0.44	0.44	0.44	0.44	-	0.44
Beginning Stocks	416	416	420	420	-	240
Production	4,938	4,938	5,022	5,100	-	5,300
MY Imports	-	-	-	-	-	-
Total Supply	5,354	5,354	5,442	5,520	-	5,540
MY Exports	1,259	1,259	1,500	1,550	-	1,600
Industrial Dom. Cons.	3,150	3,150	3,200	3,200	-	3,200
Food Use Dom. Cons.	525	525	525	530	-	540
Feed Waste Dom. Cons.	-	-	-	-	-	-
Total Dom. Cons.	3,675	3,675	3,725	3,730	-	3,740
Ending Stocks	420	420	217	240	-	200
Total Distribution	5,354	5,354	5,442	5,520	-	5,540
	-	-	-	-	-	-

(1000 MT) ,(PERCENT)

Commodity:

Meal, Palm kernel

Production

Post expects 2023/24 palm kernel meal (PKM) production to reach 6.4 MMT, based on 12 MMT of PK crushed.

Consumption

Post projects 2023/24 PKM consumption will reach 600,000 MT, an increase of 50,000 from 2022/23 on continued demand from the ruminant feed industry.

Trade

PKM exports reached 2.1 MMT in the first 5 months of 2022/23, a slight decrease of one percent from the corresponding period in 2021/22. At least 78 percent of PKM exports in 2021/22 were shipped to the Netherlands, New Zealand, South Korea, and Vietnam. On continued demand from the livestock feed sector, Post forecasts PKM exports will rise to 5.7 MMT for 2023/24.

Table 4. Production, Supply and Distribution for Palm Kernel Meal, 2021/22-2023/24

Meal, Palm Kernel Market Begin Year	2021/2022		2022/2023		2023/2024	
	Oct-21		Oct-22		Oct-23	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Indonesia						
Crush	11,300	11,300	11,480	11,680	-	12,000
Extr. Rate, 999,9999	0.53	0.53	0.53	0.53	-	0.53
Beginning Stocks	501	501	402	402	-	402
Production	5,943	5,943	6,046	6,150	-	6,400
MY Imports	-	-	-	-	-	-
Total Supply	6,444	6,444	6,448	6,552	-	6,802
MY Exports	5,542	5,542	5,550	5,600	-	5,700
Industrial Dom. Cons.	-	-	-	-	-	-
Food Use Dom. Cons.	-	-	-	-	-	-
Feed Waste Dom. Cons.	500	500	548	550	-	600
Total Dom. Cons.	500	500	548	550	-	600
Ending Stocks	402	402	350	402	-	502
Total Distribution	6,444	6,444	6,448	6,552	-	6,802
	-	-	-	-	-	-

(1000 MT) ,(PERCENT)

Commodity:

Oilseed, soybean

Production

Post forecasts soybean production at 375,000 MT for 2023/24, down four percent from 2022/23 on expected smaller harvested areas. Soybeans are still considered a secondary crop, grown in rotation between main crops such rice and corn. In some regions, farmers prefer to grow more lucrative rotation crops, such mung beans.

Post estimates 2022/23 production at 390,000 MT on reduced yields due to earlier-than-expected rainfall (see [ID2022-0036](#)) and heavy rainfall hitting some regions in Central Java in December 2022. Farmers avoid soybean planting during heavy rainy season because of high humidity and disease pressures.

Java is the main production area for soybean, representing about 58 percent of total harvested area. Expanding urban areas and massive infrastructure development, such highway roads and housing developments, as well as government assistance for rice and corn, are causing a gradual reduction of available agricultural land for soybean.

Consumption

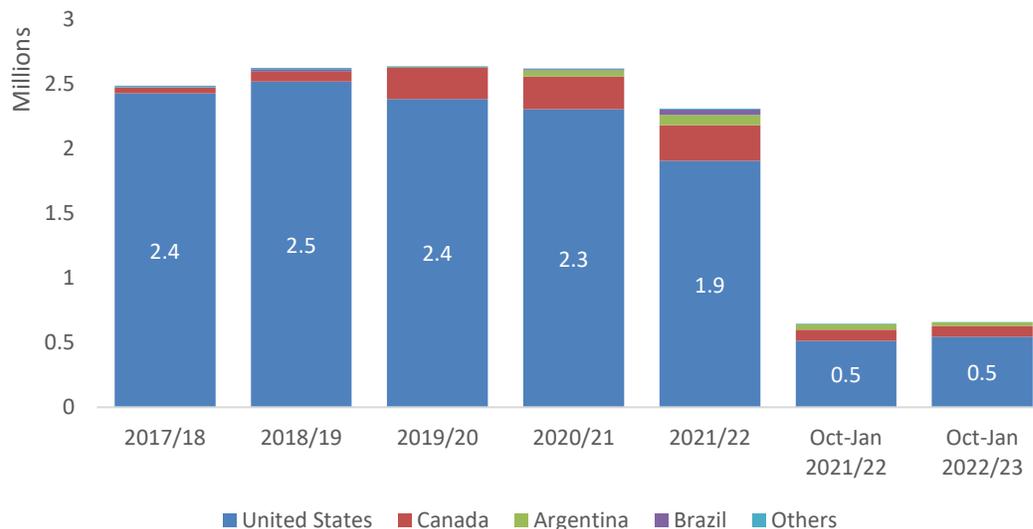
The tempeh and tofu industries are the main consumer for imported soybean and use around 90 percent of total soybean supply. These soy-fermented food industries are home-based, labor-intensive, family-run operations. Following COVID-19 pandemic-related contracted demand in 2021/22, post expects demand from the tempeh and tofu industry to rebound in 2022/23 and 2023/24 on improved economic performance. Therefore, Post forecasts food sector soybean consumption at 2.75 MMT for 2023/24, 50,000 MT higher than for 2022/23.

Soybean for feed use is expected to remain limited, rising slightly to 170,000 MT on marginal feed sector growth for 2023/24 from 160,000 MT for 2022/23.

Trade

On expected continued demand from tempeh and tofu producers, Post forecasts soybean imports at 2.65 MMT in 2023/24, up two percent from 2.6 MMT for 2022/23. The United States is expected to remain Indonesia's main soybean source, followed by Canada. In 2021/22, U.S. soybean constituted 83 percent of imported soybeans.

Figure 4. Indonesia: Soybean Imports by Origin 2017-2023 (MMT)



Source: Trade Data Monitor, LLC

Table 5. Production, Supply and Distribution (PSD) for Soybean, 2021/22-2023/24

Oilseed, Soybean	2021/2022		2022/2023		2023/2024	
Market Begin Year	Oct-21		Oct-22		Oct-23	
Indonesia	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	350	350	330	330		320
Beginning Stocks	144	144	92	92		219
Production	425	425	400	390		375
MY Imports	2,307	2,307	2,775	2,600		2,650
Total Supply	2,876	2,876	3,267	3,082	-	3,244
MY Exports	12	12	2	3		3
Crush	0	0	0	0		0
Food Use Dom. Cons.	2,647	2,647	2,950	2,700		2,750
Feed Waste Dom. Cons.	125	125	170	160		170
Total Dom. Cons.	2,772	2,772	3,120	2,860	-	2,920
Ending Stocks	92	92	145	219		321
Total Distribution	2,876	2,876	3,267	3,082	-	3,244
	0	0	0	0	0	0

(1000 HA) ,(1000 MT)

Commodity:

Meal, soy

Production

Indonesia does not produce soybean meal.

Consumption

The poultry feed industry is the largest consumer of soybean meal, accounting for at least 80 percent of animal feed production in Indonesia last year. In 2021/22, the feed industry experienced rising production costs and faced weakened consumer purchasing power that ultimately cut profitability. Some small-scale farmers reportedly closed their broiler farms due to negative margins while large, integrated poultry companies maintained their production costs, keeping the broiler population stable at around 3.1 billion heads.

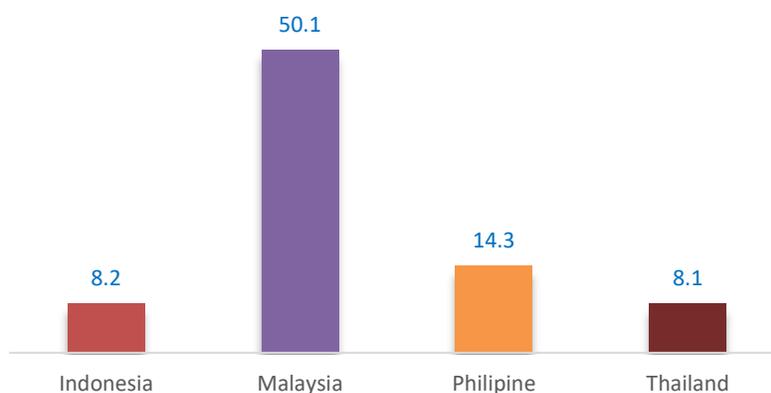
Table 6. Indonesia: Livestock Population 2017-2022 (million heads)

	2017	2018	2019	2020	2021	2022e
Broiler	2,922	3,137	3,170	2,920	3,107	3,168
Layer	258	261	264	345	386	379
Beef Cattle	16.4	16.4	16.9	17.5	18	18.6
Dairy cattle	0.5	0.6	0.6	0.6	0.6	0.6
Swine	8.3	8.3	8.5	7.6	7.2	7.3

Source: National Statistic Agency ([BPS](#))

In the aquaculture sector, feed demand is expected to grow slightly as the industry increasingly targets export markets over domestic demand. Post forecasts feed consumption at 5.8 MMT in 2023/24 a slight increase from 2022/23 on continued growing demand from the feed sector.

Figure 5. Poultry Meat Consumption in Several ASEAN Countries, 2022 (kg/capita)

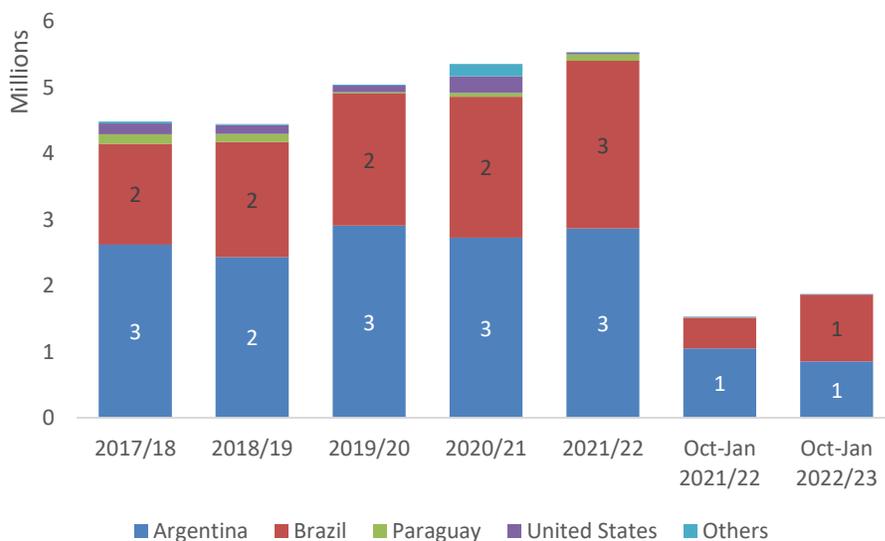


Source: [OECD](#)

Trade

Post forecasts 2023/24 soybean meal imports at 5.8 MMT, up 100,000 tons from 5.7 MMT in 2022/23 on continued demand from the feed industry. South American origins are expected to continue to dominate the market, accounting for more than 95 percent of Indonesian soybean meal imports.

Figure 6. Indonesia: Soybean Meal Imports, 2017-2023 (MMT)



Source: Trade Data Monitor, LLC

Table 7. Production, Supply and Distribution (PSD) for Soybean meal, 2021/22-2023/24

Meal, Soybean	2021/2022		2022/2023		2023/2024	
	Oct-21		Oct-22		Oct-23	
Market Begin Year	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Indonesia						
Crush	-	-	-	-	-	-
Extr. Rate, 999.9999	-	-	-	-	-	-
Beginning Stocks	270	270	140	140		140
Production	-	-				
MY Imports	5,535	5,535	5,750	5,700		5,800
Total Supply	5,805	5,805	5,890	5,840	-	5,940
MY Exports	10	10	-	-	-	-
Industrial Dom. Cons.		-	-	-	-	-
Food Use Dom. Cons.		-	-	-	-	-
Feed Waste Dom. Cons.	5,655	5,655	5,750	5,700		5,800
Total Dom. Cons.	5,655	5,655	5,750	5,700	-	5,800
Ending Stocks	140	140	140	140		140
Total Distribution	5,805	5,805	5,890	5,840	-	5,940
	-	-	-	-	-	-

(1000 MT) ,(PERCENT)

Commodity:

Oil, soy

Production

Indonesia does not produce soy oil.

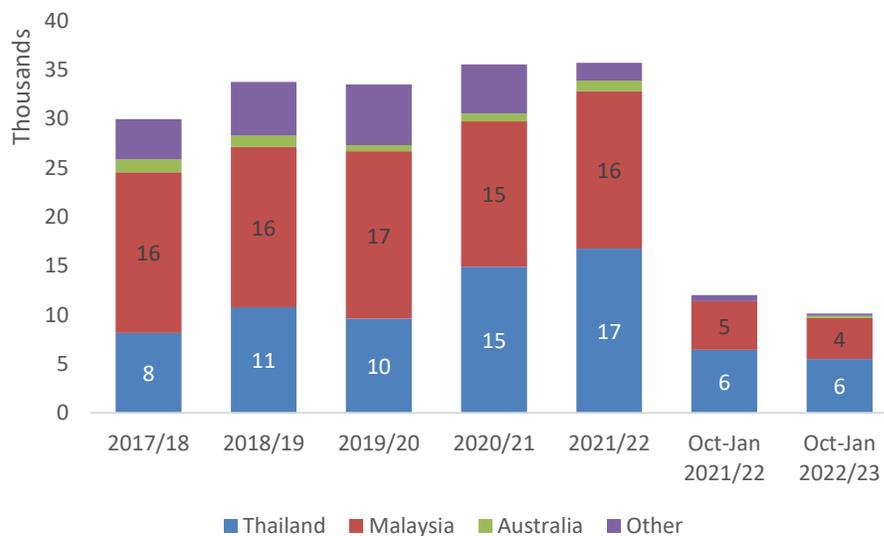
Consumption

Post expects soybean oil consumption to reach 35,000 MT both for 2022/23 and 2023/24. Soybean oil consumption remains limited to upper-middle income consumers, as the majority of Indonesian consumers rely on cheaper palm-based cooking oil.

Trade

Post forecasts 2023/24 soybean oil imports at 36,000 MT on stable demand from the food service sector. Thailand and Malaysia are expected to continue supplying about 80 percent of Indonesia’s soybean oil, benefiting from their proximity to Indonesia and ASEAN trade duties.

Figure 7. Indonesia: Soy Oil Imports 2017-2023 (Thousand MT)



Source: Trade Data Monitor, LLC

Table 8. Production, Supply and Distribution (PSD) for Soy Oil, 2021/22-2023/24

Oil, Soy	2021/2022		2022/2023		2023/2024	
Market Begin Year	Oct-21		Oct-22		Oct-23	
Indonesia	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	0	0	0	0		0
Extr. Rate, 999,9999	0.00	0.00	0.00	0.00		0.00
Beginning Stocks	0	0	0	0		1
Production	0	0	0	0		0
MY Imports	35	35	35	36		36
Total Supply	35	35	35	36		37
MY Exports	0	0	0	0		0
Industrial Dom. Cons.	0	0	0	0		0
Food Use Dom. Cons.	35	35	35	35		35
Feed Waste Dom. Cons.	0	0	0	0		0
Total Dom. Cons.	35	35	35	35		35
Ending Stocks	0	0	0	1		2
Total Distribution	35	35	35	36		37
	0	0	0	0		0

(1000 MT) ,(PERCENT)

Commodity:*Oilseed, copra***Production**

Copra production is forecast at 1.69 MMT for 2023/24, a 10,000 MT increase from 2022/23 on improved yields due to expected favorable weather in most producing regions. Coconut plantations in Indonesia are mostly smallholder plantations with non-intensive farm management.

Indonesia copra production is concentrated in several provinces including Riau, North Sulawesi, East Java, and North Maluku. In Central and West Java, more farmers produce coconuts to make non-copra products such as coconut milk for households and restaurants.

Consumption

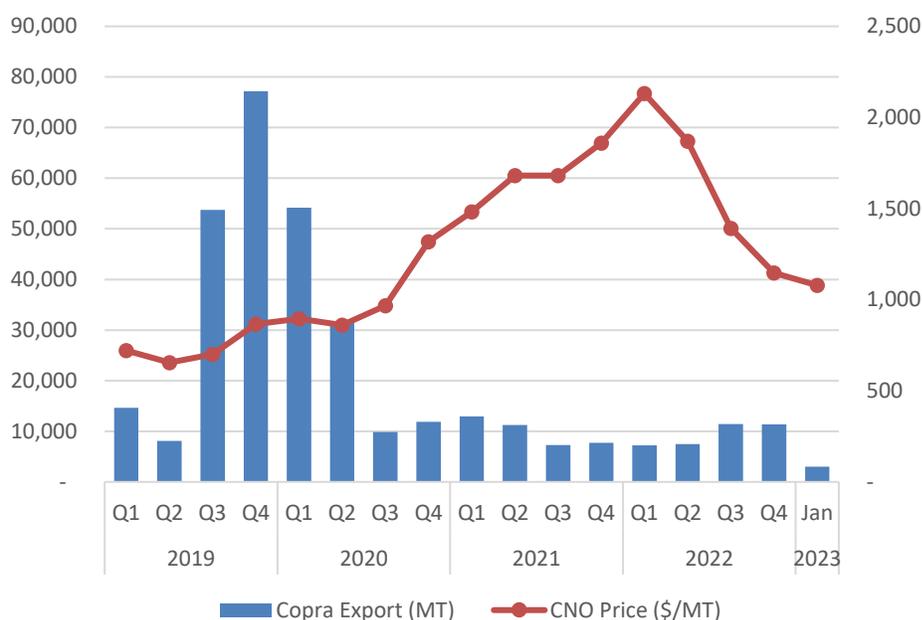
Post expects 1.65 MMT of copra to be crushed in 2023/24, a slight increase from 1.6 MMT in 2022/23.

Trade

A small portion of Indonesian copra is typically exported to the South Asia region. Post forecasts 2023/24 copra exports at 35,000 MT on continued demand from India and Pakistan. Exports for 2022/23 reached 14,000 MT through January 2023, 42 percent higher than the corresponding

period the previous year. If the downtrend of coconut oil (CNO) prices continues, copra shipments might accelerate for the remainder of 2022/23.

Figure 8. Indonesia: Copra Exports and Coconut Oil Prices



Source: Trade Data Monitor, LLC, World Bank

Table 9. Production, Supply and Distribution for Copra, 2021/22-2023/24

Oilseed, Copra	2021/2022		2022/2023		2023/2024	
	Oct-21		Oct-22		Oct-23	
Market Begin Year	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Indonesia						
Beginning Stocks	12	12	18	18		50
Production	1680	1680	1680	1680		1690
MY Imports	3	3	0	0		0
Total Supply	1695	1695	1698	1698		1740
MY Exports	34	34	50	43		35
Crush	1638	1638	1625	1600		1650
Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	5	5	5	5		5
Total Dom. Cons.	1643	1643	1630	1605		1655
Ending Stocks	18	18	18	50		50
Total Distribution	1695	1695	1698	1698		1740
	0	0	0	0		0

(1000 HA) ,(1000 TREES) ,(1000 MT)

Commodity:

Oil, coconut

Production

CNO production is forecast at 1.05 MMT for 2023/24, based on 1.65 MMT of crushed copra. The majority of Indonesian CNO producers operate nearby coconut plantations, with production capacities ranging from 30 to 16,000 MT a month. In East Java, CNO producers may source copra not only from surrounding areas but also from other provinces or neighboring islands such as Sulawesi.

Consumption

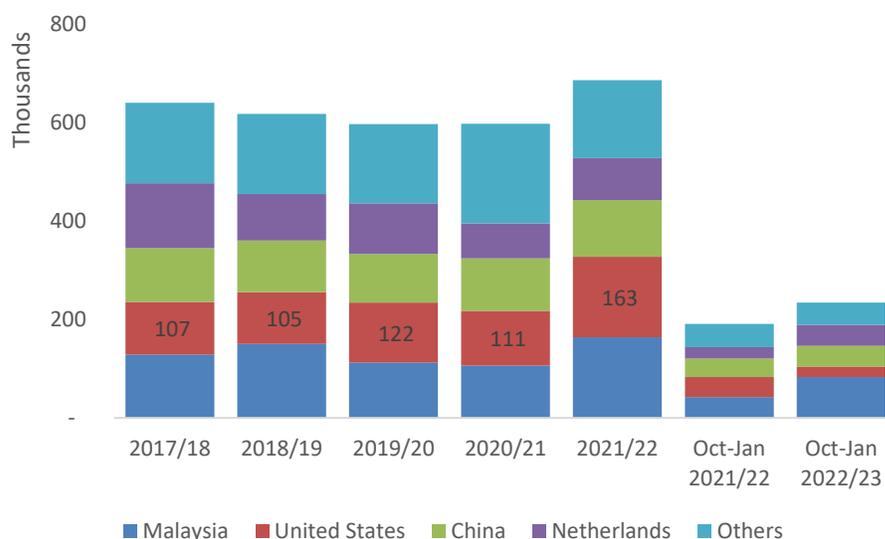
CNO consumption for industrial use is expected to reach 295,000 MT in 2023/24 on slightly higher demand from oleo-chemical processors. Food sector use is also expected to marginally increase, bringing CNO total consumption up to 450,000 MT for 2023/24.

Trade

CNO exports are forecast at 700,000 MT for 2023/24 on increased demand from major markets. Indonesia's largest CNO export destinations were PRC, Malaysia, and the United States. Shipments to the United States reached between 100,000 MT and 200,000 MT a year, mainly destined for the food service sector.

In the last two years, Indonesia imported between 70,000 and 80,000 MT of CNO, mostly from the Philippines. Post expects a similar trend for 2023/24.

Figure 9. Indonesia CNO Export Destinations, 2017-2023 (MT)



Source: Trade Data Monitor, LLC

Table 10. Production, Supply and Distribution for Coconut Oil, 2021/22-2023/24

Oil, Coconut	2021/2022		2022/2023		2023/2024	
Market Begin Year	Oct-21		Oct-22		Oct-23	
Indonesia	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	1638	1638	1625	1600		1650
Extr. Rate, 999.9999	0.63	0.63	0.63	0.63		0.63
Beginning Stocks	286	286	291	291		236
Production	1035	1035	1025	1000		1045
MY Imports	74	74	15	70		70
Total Supply	1395	1395	1331	1361		1351
MY Exports	685	685	650	690		700
Industrial Dom. Cons.	284	284	280	290		295
Food Use Dom. Cons.	135	135	150	145		155
Feed Waste Dom. Cons.	0	0	0	0		0
Total Dom. Cons.	419	419	430	435		450
Ending Stocks	291	291	251	236		201
Total Distribution	1395	1395	1331	1361		1351
	0	0	0	0		0

(1000 MT) ,(PERCENT)

Commodity:

Meal, copra

Production

Post expects 2023/24 copra meal (CM) production to reach 540,000 MT based on an expected 1.65 MMT of processed copra.

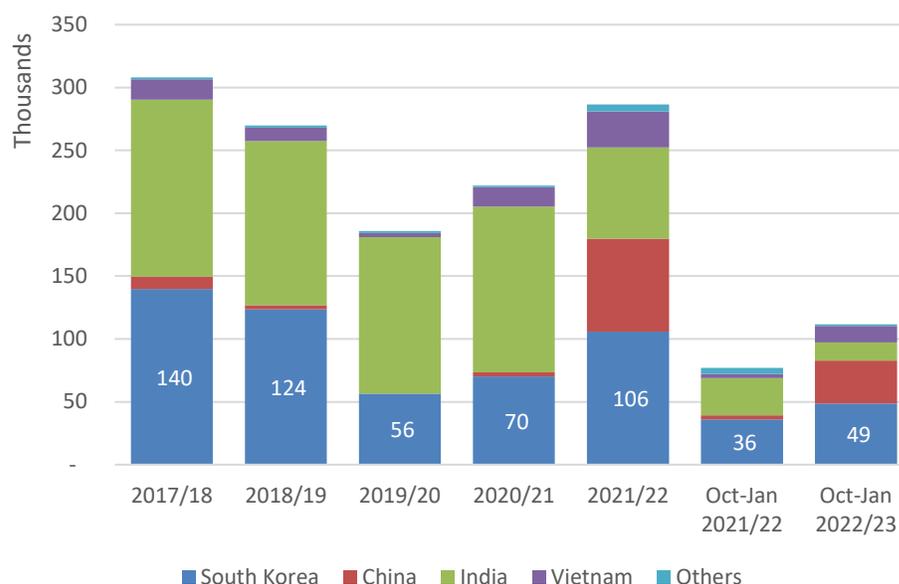
Consumption

Post forecasts 2023/24 CM use at 265,000 MT, a marginal increase from 2022/23 on limited growth in demand from the feed sector. CM is mainly used as a feed ingredient suitable for ruminants but can also be used in smaller amounts for other livestock. CM contains 20-30 percent protein and may partially replace soybean meal.

Trade

CM exports are expected to reach 275,000 MT for 2023/24, a six percent increase from 260,000 MT for 2022/23. The primary destinations for Indonesian CM are India and South Korea. In South Korea, the feed industry uses CM to produce feed compounds for swine.

Figure 10. Indonesia: Copra Meal Exports 2017-2023 (MT)



Source: Trade Data Monitor, LLC

Table 11. Production, Supply and Distribution for Copra Meal, 2021/22-2023/24

Meal, Copra	2021/2022		2022/2023		2023/2024	
	Oct-21		Oct-22		Oct-23	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Indonesia						
Crush	1638	1638	1625	1600		1650
Extr. Rate, 999.9999	0.33	0.33	0.33	0.33		0.33
Beginning Stocks	7	7	7	7		8
Production	540	540	535	520		540
MY Imports	1	1	1	1		1
Total Supply	548	548	543	528		549
MY Exports	286	286	250	260		275
Industrial Dom. Cons.	0	0	0	0		0
Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	255	255	286	260		265
Total Dom. Cons.	255	255	286	260		265
Ending Stocks	7	7	7	8		9
Total Distribution	548	548	543	528		549
	0	0	0	0		0

(1000 MT) ,(PERCENT)

Commodity:

Oilseed, peanut

Production

Indonesian peanut production is forecast at 880,000 MT for 2023/24, a decline from 930,000MT in 2022/23 on lower yields and continued reduced harvested area. Peanuts are a secondary crop grown as part of crop rotations between corn and paddy.

Indonesian peanuts are grown on both dry land and irrigated areas, requiring between 90-95 days to grow. On dry lands, farmers depending on rainfall usually start to plant in February for harvest in May, while farmers in irrigated areas plant during the dry season between May and September. Indonesia peanut production is centered in Java Island, which represents more than 60 percent of production. No national program exists to support peanut farming. Snack-producing companies maintain partnerships with farmers groups in certain regions to secure raw material.

Consumption

Post forecasts peanut consumption to remain stable at 1.36 MMT both for 2022/23 and 2023/24 on stable demand from the food processing industry. Peanut use in the food sector consists of home-based industries and the snack food industry. For home-based industries, peanuts are a key ingredient for peanut sauce used to make a popular traditional salad dressing. Peanuts are also an important ingredient for the snack food industry which benefited from a rise in in-home consumption during the pandemic years.

Trade

Peanut imports are forecast at 400,000 MT for 2023/24, a slight decrease from 2023/24, as the food industry maintains stable production. Indonesia's top three origins for peanut imports are expected to remain India, Africa and the PRC. In 2022, Indian shelled peanut imports accounted for 70 percent of total shelled peanut imports, followed by African origins (17 percent) and the PRC (11 percent.)

Table 12. Production, Supply and Distribution for Peanut, 2021/22-2023/24

Oilseed, Peanut	2021/2022		2022/2023		2023/2024	
Market Begin Year	Jan-21		Jan-22		Jan-23	
Indonesia	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	545	545	540	540	-	520
Beginning Stocks	127	127	81	81	-	139
Production	960	960	950	930	-	880
MY Imports	400	400	410	489	-	400
Total Supply	1,487	1,487	1,441	1,500	-	1,419
MY Exports	6	6	6	6	-	6
Crush	50	50	50	50	-	50
Food Use Dom. Cons.	1,300	1,300	1,315	1,255	-	1,255
Feed Waste Dom. Cons.	50	50	-	50	-	50
Total Dom. Cons.	1,400	1,400	1,365	1,355	-	1,355
Ending Stocks	81	81	70	139	-	58
Total Distribution	1,487	1,487	1,441	1,500	-	1,419
	-	-	-	-	-	-

(1000 HA) ,(1000 MT)

Commodity:*Oilseed, cottonseed***Production**

Post forecasts cottonseed production to remain limited at 1,000 MT in 2023/24 based on limited overall cotton production.

Consumption

A small portion of cottonseeds is used in feed; however, many are discarded as waste as the limited production of cotton does not provide much incentive for the collection, storage, and consolidation of cottonseeds.

Trade

Trade data indicates that some cotton exports under HS code 120720, 120721 and 120729 in 2022 were actually kapok seed shipments, as cottonseed production is negligible. Kapok is a species of tree that produces fibers resembling cotton. Several industries utilize kapok fiber for pillows, mattresses, and insulation. Exporters collect kapok seeds from the fiber processing and ship them mainly to South Korea and Japan for feed use.

Table 13. Production, Supply and Distribution for Cottonseed, 2021/22-2023/24

Oilseed, Cottonseed	2021/2022		2022/2023		2023/2024	
Market Begin Year	Apr-21		Apr-22		Apr-23	
Indonesia	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	2	2	2	2		2
Seed to Lint Ratio	0	0	0	0		0
Beginning Stocks	0	0	0	0		0
Production	1	1	1	1		1
MY Imports	0	0	0	0		0
Total Supply	1	1	1	1		1
MY Exports	0	0	0	0		0
Crush	0	0	0	0		0
Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	1	1	1	1		1
Total Dom. Cons.	1	1	1	1		1
Ending Stocks	0	0	0	0		0
Total Distribution	1	1	1	1		1
	0	0	0	0		0

(1000 HA) ,(1000 TREES) ,(1000 MT)

Attachments:

No Attachments