

Edible oil imports in China will remain high for the rest of the year 2007/10

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[http://www1.agric.gov.ab.ca/\\$department/deptdocs.nsf/all/trade11554](http://www1.agric.gov.ab.ca/$department/deptdocs.nsf/all/trade11554)

China relies on edible oil imports to supply market demand. During 2006 - 2007, the consumption for edible oil was 23.74 million tonnes or 18 kg per person.

Over the past three years, China has imported over 6 million tonnes. China imported 3.7 million tonnes of edible oil in the first half year of 2007, an increase of 31.7% compared to the same period of 2006. Among them, palm oil was 2.36 million tonnes, soy bean oil was 1.13 million tonnes, and canola oil was 134 thousand tonnes. The amount of canola oil imported in the first half year of 2007 was 56.4 times greater than that of the same period last year. Almost all of it (99.8%) was from Canada. The imported canola oil mainly went to Guangdong and Jiangsu provinces. Guangdong imported 62.8 thousand tonnes (about 46.9% of the total), and Jiangsu imported 48.7 thousand tonnes (about 36.4%). The average CIF price was US \$742.10 per tonne, an increase of 40.5% compared to the same period last year.

According to the Ministry of Commerce, in September 2007, China imported 650 thousand tonnes of edible oil including 22 thousand tonnes of canola oil with an average CIF price of US \$863 per tonne. It is estimated that China would import 29 thousand tonnes of canola oil with an average CIF price US \$898 per tonne in October 2007.

From January to April of this year, the cost of imported canola oil was low compared to the domestic price in China. Another reason was that the harvest for rapeseed dropped dramatically this year. It is predicted that if China continues to import canola oil at this pace, volumes will reach 250 thousand tonnes for 2007.

In the first six months of 2007, Alberta exported CAD \$176.1 million of canola oil to China and CAD \$54.5 million of crude oil.