

# Competitiveness of the Soyabean Industry in Argentina and its Implication to Malaysian Palm Oil Trade

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## ABSTRACT

*Soyabean and palm oils are two agricultural commodities that have similar characteristics and are substitutable in many applications. Whenever there is an increase in soyabean oil price, palm oil price follows suit. SWOT (strengths, weaknesses, opportunities and threats) analysis was used to evaluate Argentina's soyabean industry. Data for soyabean were from secondary sources. Nevertheless, not all data were the latest because of the difficulty in sourcing the information. Argentina is the main producer and exporter of soyabean oil. Although the availability of Argentina's soyabean oil supply is high, palm oil imports from Malaysia are also increasing to satisfy rising local demand by the food industry. In view of that, most of Argentina's soyabean oil is used mainly for export purposes and for the country's local biodiesel industry; thus, palm oil usage in Argentina is expected to remain significant.*

**Keywords:** Argentina, soyabean, competitiveness, SWOT.

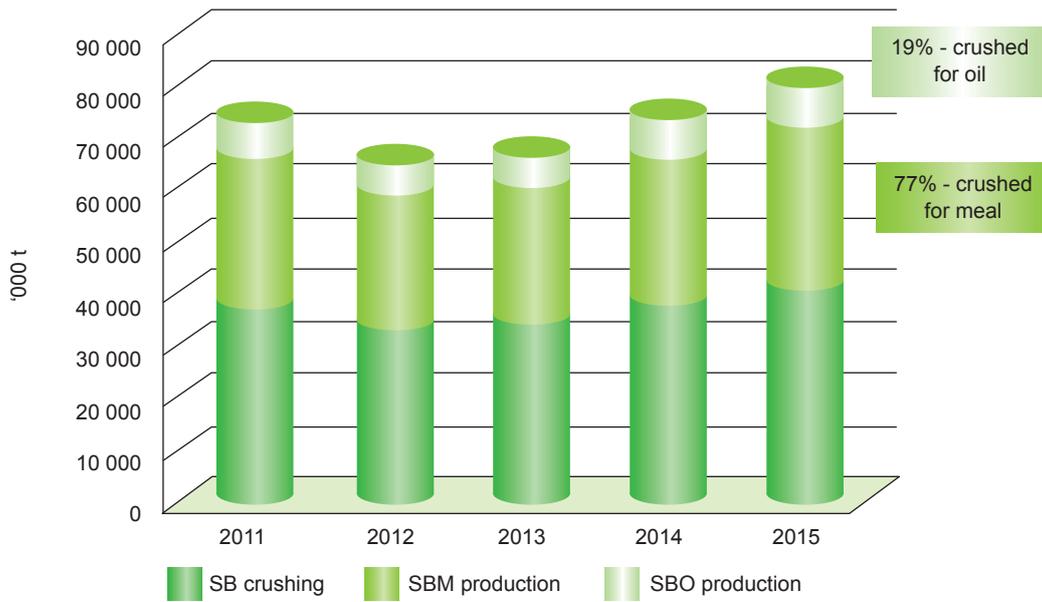
## INTRODUCTION

Argentina is the world's fourth largest producer of soyabean oil after China P R, USA and Brazil. She positions herself as the world's largest soyabean oil exporter by far, followed by Brazil and USA. In 2015, a total of 7.90 million tonnes of soyabean oil was produced, up slightly by 11% from 7.11 million tonnes back in 2011. At the same time, soyabean meal production, which accounted for the largest share of the soyabean crushing

sector, had increased by 8.1% to 31.48 million tonnes in 2015 against 29.13 million tonnes a year earlier (Figure 1).

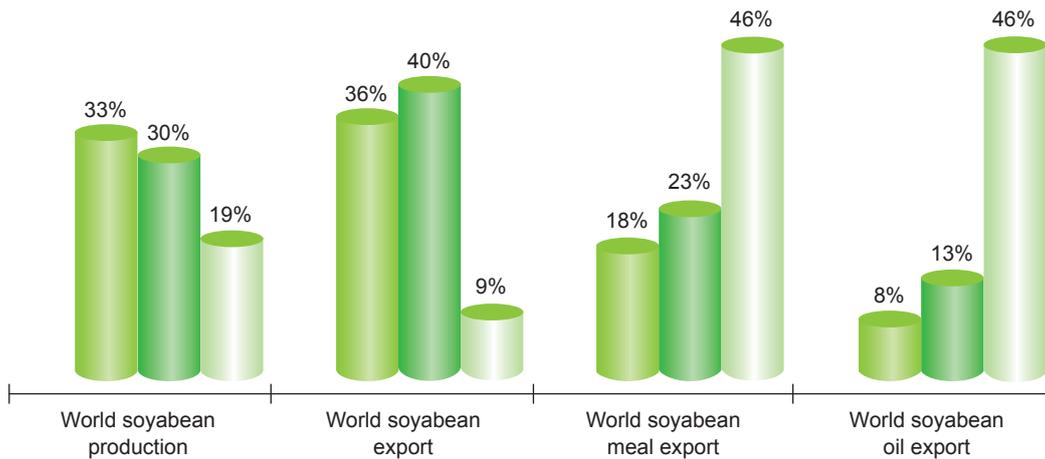
Argentina is the world leader in soyabean meal exports, accounting for 46% of the global total, followed by Brazil with 23% and USA with 18%. Similarly, it is also the world's leading soyabean oil exporter, accounting for 46% of the global total, followed by Brazil (13%) and USA (8%) (Figure 2). A combination of high production and low domestic consumption has

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Note: SB - soyabean; SBM - soyabean meal; SBO - soyabean oil.  
 Source: *Oil World Annual* (2015; 2016).

Figure 1. Soyabean crushings, meal and oil production ('000 t).



Source: *Oil World Annual* (2016).

Figure 2. World's soyabean production and exports of soyabean, its meal and its oil exports by three major countries as percentage of total, 2015.

turned Argentina into the largest soyabean oil and meal exporter in the world.

In 2015, Argentina's soyabean, its oil and meal exports amounted to 11.65, 5.66 and 29.38 million tonnes, respectively (Table 1). Only 21% of the soyabean produced in the country was exported, while the rest was consumed locally.

In 2015, China was the largest export destination for Argentina's soyabean, accounting for about 84% of total soyabean exports, and amounting to 9.73 million tonnes, due to the huge demand for her crushing industry. Most of the soyabean imported by China is crushed into meal for the animal feed industry and oil for edible and

non-edible uses. As a result, China's soyabean oil and meal imports are less. Other important markets for Argentina's soyabean include Iran, Bangladesh and Thailand.

The main export destination for Argentina's soyabean oil in 2015 was India, followed by China, which absorbed 48% and 10%, respectively, of her total

| <b>TABLE 1. EXPORTS OF ARGENTINA'S SOYABEAN, ITS OIL AND MEAL TO MAJOR DESTINATIONS ('000 t), 2011-2015</b> |               |             |             |             |             |
|---|---------------|-------------|-------------|-------------|-------------|
| <b>Year</b>   | <b>2011</b>   | <b>2012</b> | <b>2013</b> | <b>2014</b> | <b>2015</b> |
|   | <b>'000 t</b> |             |             |             |             |
| Soyabean crop   | 39 800.0      | 47 500.0    | 50 000.0    | 60 000.0    | 55 300.0    |
| Soyabean exports  | 10 449.9      | 6 370.9     | 7 776.5     | 7 416.4     | 11 651.6    |
| China P R   | 8 385.7       | 5 334.9     | 6 152.0     | 5 960.8     | 9 725.6     |
| Iran  | 135.0         | 186.7       | 31.2        | 105.6       | 432.7       |
| Bangladesh  | 27.4          | 96.6        | 149.1       | 162.3       | 63.6        |
| Thailand  | 231.6         | 47.3        | 143.0       | 80.8        | 134.5       |
| Others  | 1 670.2       | 705.4       | 1 301.2     | 1 106.9     | 1 295.2     |
| Soyabean exported (%)   | 26%           | 13%         | 16%         | 12%         | 21%         |
| Soyabean oil production   | 7 113.7       | 6 349.4     | 6 432.9     | 7 096.4     | 7 895.9     |
| Soyabean oil exports  | 4 378.4       | 4 030.7     | 4 360.9     | 4 100.4     | 5 663.8     |
| India   | 696.9         | 933.8       | 950.8       | 1 566.5     | 2 694.2     |
| China P R   | 410.4         | 750.2       | 627.9       | 373.8       | 539.1       |
| Iran  | 283.3         | 263.7       | 348.1       | 444.3       | 308.8       |
| Bangladesh  | 317.4         | 269.5       | 220.3       | 306.4       | 323.1       |
| Others  | 2 670.4       | 1 813.5     | 2 213.8     | 1 409.4     | 1 798.6     |
| Soyabean oil exported (%)   | 62%           | 63%         | 68%         | 58%         | 72%         |
| Soyabean meal production  | 29 061.7      | 26 011.0    | 26 456.3    | 29 133.8    | 31 479.5    |
| Soyabean meal exports   | 28 239.2      | 25 036.2    | 24 901.5    | 27 196.2    | 29 381.9    |
| Vietnam   | 1 275.6       | 1 339.7     | 2 006.9     | 2 400.1     | 3 190.3     |
| Indonesia   | 2 257.9       | 2 927.3     | 2 476.2     | 1 855.1     | 1 918.3     |
| Spain   | 1 730.2       | 1 631.5     | 1 009.6     | 1 108.4     | 1 788.3     |
| Italy   | 2 162.1       | 1 212.3     | 1 193.9     | 1 194.9     | 1 638.2     |
| Others  | 20 813.4      | 17 925.4    | 18 214.9    | 20 637.7    | 20 846.8    |
| Soyabean meal exported (%)  | 97%           | 96%         | 94%         | 93%         | 93%         |

Source: *Oil World Annual* (2015; 2016).

soyabean oil exports. In the case of Argentina's soyabean meal, the main export market destinations included the European Union and Asian countries as soyabean meal serves essentially as an important source of protein for the animal feed industry in these countries. In 2015, Vietnam recorded the highest imports of Argentina's soyabean meal at 3.19 million tonnes. Most of Argentina's soyabean oil (72%) and meal production (93%) is destined for the export market.

## SOYABEAN SITUATION

### Harvested Area, Yield and Production

In Argentina, the harvested area for soyabean had increased by 6.4% to 18.70 million hectares

in 2015/2016 from 17.58 million hectares in 2011/2012. This was followed by an increase in soyabean production which went up by 38.2% to 55.00 million tonnes in 2015/2016 against 39.80 million tonnes in 2011/2012, while yield grew by 30.1% to 2.94 t/ha in 2015/2016 from 2.26 t/ha in 2011/2012. However, the harvested area, production and yield in 2015/2016 were down slightly in 2014/2015, and have been forecast to continue declining in 2016/2017 due to flooding and crop damage in the soyabean areas. In general, about 80% of the country's soyabean production is crushed for oil and meal, and only about 20% is destined for other uses such as export (*Figure 3*).

The expansion of the harvested area, better yield performance and

higher production of soyabean during the period spanning 2011/2012 to 2014/2015 have been due to several factors. Chief among the factors are: (i) incorporation of new land into soyabean cultivation, thereby replacing other crops (e.g. wheat, maize, sunflower); (ii) the availability of genetically modified herbicide-resistant (GM-HR) soyabean (also known as transgenic soyabean); (iii) higher resistance of GM soyabean varieties to pests, which resulted in less crop loss; and (iv) the keenness of farmers to incorporate innovative technologies into the agricultural production system used in the various soyabean-producing areas. These include complementary technologies, such as direct seeding, crop nutrition (chemical and biological), the use of biocides (herbicides, fungicides

and insecticides) and others. All of these have made crop production more efficient, and generated agronomic, environmental and economic benefits for farmers in the country (Pedro and Victor, 2013).

In Argentina, about 30% of the soyabean is planted as a double-crop after harvesting the winter wheat crop (Calviño and Monzon, 2009). However, double-cropped soyabean yields are generally much lower than first crop soyabean due to declining rainfall towards the end of the growing season (Randall, Erik and Christine, 2001).

Most of Argentina’s soyabean crop is planted in November and December, and harvested in April and May (Figure 4). For double-cropped soyabean, planting starts in late December until end of January, and the crop is harvested in May and June. Similar to Brazil’s crop calendar, a second soyabean crop is planted in October and November, and subsequently harvested from March until May. In contrast, in USA, soyabean planting is in May and June, while harvesting is done in October and November. Although these countries are competing with each other, they are

also complementing each other by ensuring ample supply availability of soyabean throughout the year to meet global demand.

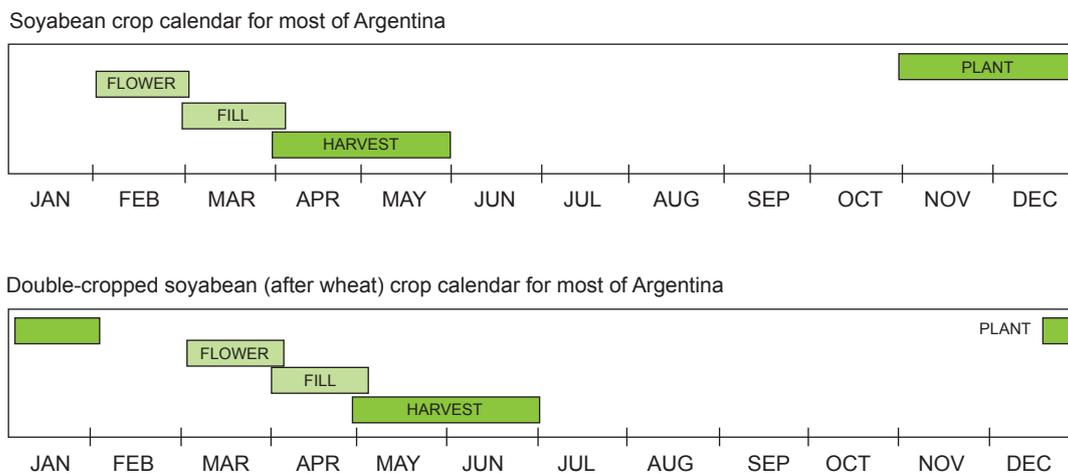
**Production**

The soyabean industry in Argentina is also highly efficient and competitive because it has lower logistic costs and transportation. Argentina has only to move her soyabean a short distance, ranging from 400 to 600 km, between the production areas and crushing plants. In contrast, in neighbouring Brazil, the soyabean



Source: Oil World Annual (2015; 2016).

Figure 3. Soyabean harvested area, yield and production.



Source: Joint Agricultural Weather Facility (NOAA/USDA).

Figure 4. Soyabean crop calendar.

has triple the average distance (of 1500 km) to cover between the two sectors, which directly impacts the final export prices. About 80% of the soyabean production area in Argentina is very close (300 to 400 km) to the crushing centres and ports.

As an example, in Rosario, T6, a company formed by Aceitera Gral. Deheza SAICA (AGD) and Bunge, operates 220 ha in Puerto General San Martín, Santa Fé, on the banks of the Paraná River. This area is part of the industrial area of major agribusiness companies. The Paraná River is a deep-draft navigable river, capable of handling large export vessels. The city of Rosario extends 80 km with terminals all along the west bank, and most of Argentina's grains are exported from here, specifically soyabean, its oil and meal, via the waterways formed by the Paraguay, Uruguay and Paraná rivers. In contrast, logistical problems remain an issue throughout these neighbouring countries.

### Crushing Industry

In 2015, there were 38 soyabean crushing plants with a total crushing capacity of 196 520 t per day, averaged at 5172 t per day per plant. Argentina's soyabean crushing industry involves major international companies, such as Cargill, Bunge, Louis Dreyfus (LDC) and Nidera, and some large local firms. All these crushers have significant soyabean processing interest throughout the world, and are also active in soyabean trade.

More than 70% of Argentina's soyabean are crushed for their meal and oil. It is estimated that the country has a crush capacity of over 60 million tonnes annually. The high level of technology adopted in the crushing plants has led Argentina to achieving greater productivity with fewer plants.

Argentina has become a country with the most efficient crushing plants and is therefore very competitive in the world.

The main factors for her competitiveness are as follows: i) large firms with trading capacities all over the world are involved (the companies invested in the crushing industry mainly for export purposes); ii) most of the crushing is conducted in modern and large processing plants, allowing them to have lower costs of production (due to economies of scale); and iii) the crushing plants are located at the ports, thus, reducing transportation costs.

### Soyabean Balance

Overall, with soyabean opening stocks estimated to be up by 21.4% (or 0.9 million tonnes) to 5.10 million tonnes in 2015/2016 against 4.20 million tonnes in 2014/2015, and production rising by 20% to 60 million tonnes in 2015/2016 from 50 million tonnes in 2014/2015, total supplies of soyabean are set to increase by 20.2% (or 10.93 million tonnes) to 65.13 million tonnes in 2015/2016 from the last season, increasing its supplies for exports. In 2015/2016, soyabean exports

are estimated to rise by 57.1% to 11.67 million tonnes, driven by the higher crushing activities, up by 15.2% to 44.15 million tonnes from the previous season. Total disappearance and closing stocks of Argentina's soyabean for the 2015/2016 season rose to 59.28 and 5.85 million tonnes, respectively (Table 2).

### SOYABEAN OIL SITUATION

#### Price

Argentina is responsible for almost half of the world's total exports of soyabean oil and meal. From the main producing states (i.e. Buenos Aires, Córdoba and Santa Fé), soyabean is transported predominantly to the Rosario area (upriver) where 80% of the crushing capacity of the country is located. In Argentina, 90% of the exports of soyabean and its derivatives go through the ports of Rosario and San Lorenzo Puerto San Martín (also known as upriver Argentina). Rosario is also the most important port for exports and Argentinian soyabean price discovery for exports. Soyabean prices freight on board (FOB) Up-River give direction to physical global soyabean markets. The figure

**TABLE 2. SOYABEAN BALANCE (million tonnes)**

|                   | March/February |         |         |         |          |
|-------------------|----------------|---------|---------|---------|----------|
|                   | 2011/12        | 2012/13 | 2013/14 | 2014/15 | 2015/16F |
| Opening stocks    | 4.00           | 2.58    | 2.10    | 4.20    | 5.10     |
| Production        | 49.20          | 39.80   | 47.50   | 50.00   | 60.00    |
| Imports           | 0.01           | -       | -       | -       | 0.03     |
| Total supplies    | 53.21          | 42.38   | 49.6    | 54.20   | 65.13    |
| Exports           | 10.40          | 6.34    | 7.81    | 7.43    | 11.67    |
| Crushings         | 37.83          | 31.40   | 34.62   | 38.34   | 44.15    |
| Other use         | 2.40           | 2.54    | 2.97    | 3.33    | 3.46     |
| Total consumption | 50.63          | 40.28   | 45.40   | 49.10   | 59.28    |
| Closing stocks    | 2.58           | 2.10    | 4.20    | 2.10    | 5.85     |

Note: F- forecast.

Source: *Oil World Annual* (2015; 2016).

below shows the annual average freight on board (FOB) prices of soyabean, its oil and meal at the Argentinian export locations. The annual average prices of soyabean, its oil and meal in 2015 were traded lower against the previous years, registering at USD 377, USD 682 and USD 360/t, respectively (Figure 5).

### Consumption

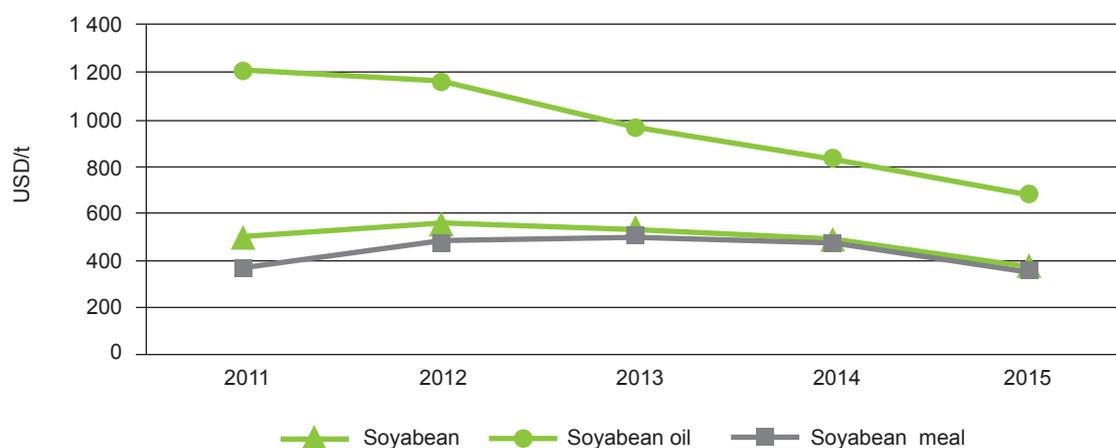
Currently, Argentina is the fifth largest consumer of soyabean oil in the world after China, USA, Brazil and India. Soyabean

oil consumption in 2014 was recorded to be the highest at 2.80 million tonnes. However, for the past five years, the consumption trend of soyabean oil was declined by 22.1% to 2.03 million tonnes compared with 2.60 million tonnes in 2011 (Figures 6 and 7). Overall, Argentina's soyabean oil and meal supplies are far greater than her demand, thus creating surplus in the country. The decline in consumption can be attributed to lower available supplies as a result of lower production in 2015/2016.

Meanwhile, for soyabean meal, Argentina ranks 17<sup>th</sup> largest in

the world. Therefore, the meal is largely exported to the world's major soyabean oil and meal consumers, such as China and India. Furthermore, Argentina only consumes about 40% of the oil and 6% of the meal produced locally.

Soyabean oil and meal are the largest vegetable oil and meal consumed locally in the country. However, by looking at the self-sufficiency rate, Argentina is more than self-sufficient and manages to meet both her vegetable oil and meal requirements due to huge soyabean oil and meal supply availability. Most of this oil and



Source: ciara.com.ar/estadisticas

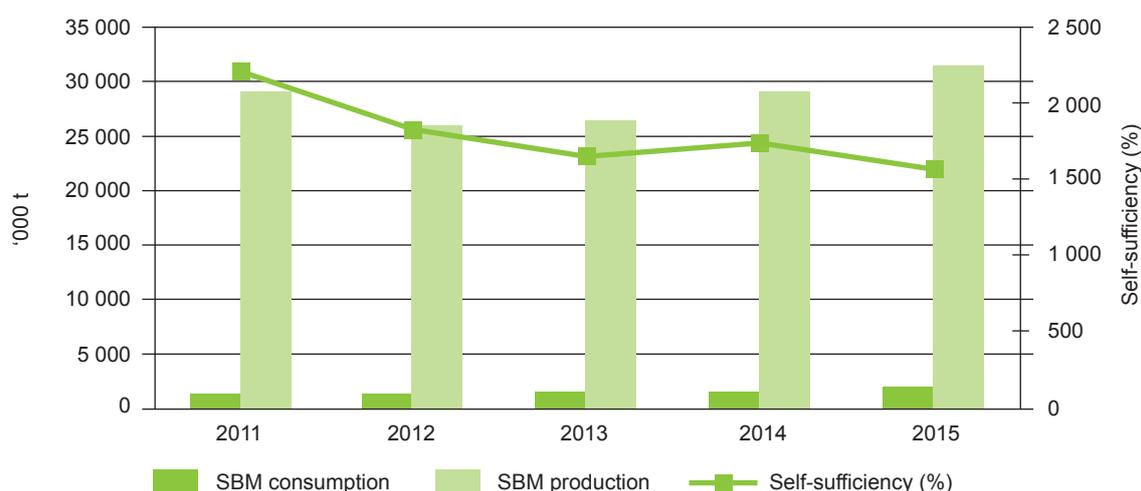
Figure 5. Annual average prices of soyabean, its oil and meal, Argentina freight on board (FOB) (USD/t) 2011-2015.



Note: SBO - soyabean oil.

Source: Oil World Annual (2015; 2016).

Figure 6. Soyabean oil consumption ('000 t), 2011-2015.



Note: SBO - soyabean oil, SBM - soyabean meal.

Source: *Oil World Annual* (2015; 2016).

Figure 7. Soyabean meal consumption ('000 t), 2011-2015.

meal is exported with a portion remaining in the country for domestic consumption at 2.03 and 2.0 million tonnes, respectively.

Generally, soyabean oil is used mainly for the biodiesel industry as a primary feedstock, accounting for 89% of the total soyabean oil consumption in the country (Table 3). Meanwhile, another 11% is mainly consumed in the food industry. However, in 2012 and 2013, more sunflowerseed oil was used for the food sector rather than soyabean oil.

### Soyabean Oil Balance

Soyabean oil opening stocks have increased steeply by 78.6% to 0.44 million tonnes in 2015 from a year ago. Soyabean oil production rose to 7.90 million tonnes in 2015

(up sharply by 11.3%). Exports of the oil also reached the new high at 5.66 million tonnes in 2015 (up by 38.1%), taking into account higher soyabean oil supply availability for exports. Soyabean oil consumption in Argentina has shown a downward trend for the past five years. In 2015, soyabean oil consumption plunged by 27.3% to only 2.04 million tonnes from 2.80 million tonnes in 2014. However, soyabean oil closing stocks recorded a high at 0.64 million tonnes in 2015 (Table 4).

### Export of Malaysian Palm Oil and Palm-based Products to Argentina

Argentina is one of the export markets for Malaysian palm oil with export volumes ranging from 2935

to 8726 t for the past five years (Figure 8). Even though the export volume has not been so big, the exports are, however, showing an upward trend year-on-year. Besides palm oil, Malaysia also exported other palm-based products to Argentina; these include palm kernel oil, oleochemical products and finished products. Malaysia still maintains her position as the largest source of palm oil for Argentina, with a 63% market share (Figure 9). In 2015, although Argentina's soyabean oil supply availability was high, palm oil imports from Malaysia increased mainly to supplement local consumption by the food industry. This was because most of the country's soyabean oil was used mainly for export purposes and for its local biodiesel industry. Thus, palm oil usage in Argentina is expected to remain significant.

### ISSUES WITHIN ARGENTINA'S SOYABEAN INDUSTRY

#### Economic Uncertainty

High inflation, devaluation of the Argentinian Peso and currency controls have put extra pressure on the country's economy.

TABLE 3. SOYABEAN OIL USAGE ('000 t), 2011-2015

| Soyabean oil               | 2011     | 2012  | 2013  | 2014   | 2015  |
|----------------------------|----------|-------|-------|--------|-------|
|                            | ('000 t) |       |       |        |       |
| Consumption for Biodiesel  | 2 602    | 2 562 | 2 094 | 2 791  | 2 027 |
| <i>Biodiesel share (%)</i> | 2 427    | 2 455 | 1 997 | 2 584  | 1 811 |
| <i>Biodiesel share (%)</i> | 93       | 96    | 95    | 93     | 89    |
| Other use (a)              | 175      | 107   | 97(b) | 207(b) | 216   |

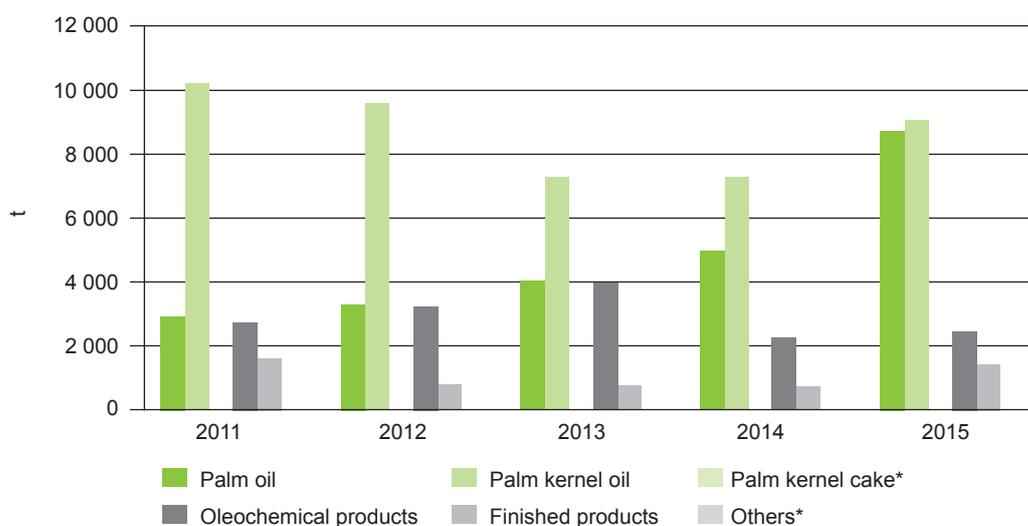
Note: (a) - Mainly for food usage; (b) - In 2012 and 2013 more sunflowerseed oil was used for food; F - forecast.

Source: *Oil World Annual* (2015; 2016).

| TABLE 4. SOYABEAN OIL BALANCE ('000 t), 2011-2015 |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|
|   | 2011    | 2012    | 2013    | 2014    | 2015    |
| Opening stocks                                    | 377.0   | 510.0   | 267.0   | 245.0   | 440.0   |
| Production  | 7 113.7 | 6 349.4 | 6 432.9 | 7 096.4 | 7 895.9 |
| Imports   | -       | -       | -       | -       | -       |
| Exports   | 4 378.4 | 4 030.7 | 4 360.9 | 4 100.4 | 5 663.8 |
| Consumption                                       | 2 602.3 | 2 561.7 | 2 094.0 | 2 801.0 | 2 037.1 |
| Closing stocks                                    | 510.0   | 267.0   | 245.0   | 440.0   | 635.0   |
| Population (million)                              | 41.7    | 42.1    | 42.5    | 43.0    | 43.4    |
| Consumption (per kg)                              | 81.3    | 81.8    | 71.1    | 85.4    | 67.9    |
| GDP growth (%)                                    | 8.4     | 0.8     | 2.9     | 0.5     | 1.2     |

Source: *Oil World Annual* (2015; 2016).

While Argentina does not have infrastructural problems, the country faces other difficulties. Although transport is fairly efficient, the inflation rate in the country was recorded at 40.50% in April 2016. Argentinians have experienced a drastic decrease in their purchasing power. As a result, farmers have become very reserved sellers and store soyabean on-farm as a hedge against domestic inflation.



Note: \*No export were recorded.  
Source: MPOB (2015).

Figure 8. Export of Malaysian palm products to Argentina (t), 2011-2015.



Source: *Oil World Annual* (2016).

Figure 9. Argentina's imports of palm oil from major countries (%), 2015.

### High Export Taxes

High export taxes on agricultural products have been an important source of income for the government of Argentina (GOA) for many years. In fact, export taxes for soyabean and its derivatives are GOA's largest source of US Dollars and a major contributor to the Central Bank's reserves. These policies distort soyabean prices in the country and affect the willingness of farmers to sell their soyabean. However, GOA has made policy changes to support the agricultural sector by reducing and eliminating export taxes, including gradual reduction of export taxes

for soyabean and its by-products by 5%, and elimination of export taxes for all other agricultural products.

Starting in January 2018, the export tax on soyabean will decline by 0.5% per month for the whole of 2018 and 2019. During this two-year period, the soyabean export tax will decline from the current 30% to 18% by the end of 2019. The rate of reduction in export taxes will be the same for soyabean meal and oil, which currently stand at 27%. These policy changes are expected to encourage higher soyabean sales, but currently farmers tend to hold back some of their soyabean until the tax starts declining.

### Weather Uncertainty

Large parts of the key soyabean regions were hit by heavy rainfall, which caused flooding. For instance, some of the agricultural land in Santa Fé (about 20% of the province's farmland) was critically affected by excessive precipitation and flooding. The movement of trucks carrying oilseeds was affected, thus curbing crushings and exports of soyabean and its products. Similarly, the soyabean stored in silo bags were also partly damaged or lost due to the floods.

### Strikes by Workers

In Argentina, the strikes involved several unions – of workers at several crushing plants and biodiesel factories, of truck drivers as well as of dock-workers – all demanding wage increases. For instance, workers put up blockades at major roads in the key soyabean region of Rosario, interrupting the transportation of oilseeds and grains. Arrival of trucks carrying soyabean at the port of Rosario was affected as the strike basically blocked shipments. There was also a debate about higher freight

tariffs after fuel prices increased, and this created a protest by the transportation sector calling for higher freight rates to compensate for the rising costs.

## RESULTS AND DISCUSSION

### SWOT (strengths, weaknesses, opportunities and threats) Analysis on Argentina's Soyabean Industry

Argentina has a huge potential for expanding her soyabean industry to compete with USA and Brazil. The high level of technology practiced in the crushing plants has resulted in greater productivity. The latest development in government policy is to support the agriculture sector, and this change is seen as an opportunity for Argentina to raise exports, particularly soyabean, in the coming years, supported by good infrastructure such as logistics and port facilities. Most of the main soyabean planting areas and crushers are located close to port facilities, while there are also excellent highways leading to the ports. Argentina's processing facilities also serve southern Brazil, Bolivia and Paraguay, and are

strongly oriented toward soyabean meal and soyabean oil exports. However, issues and challenges such as economic uncertainty, high export tax and weather uncertainty, as well as workers' strikes, still need to be addressed to sustain the soyabean industry. The strengths, weaknesses, opportunities and threats in Argentina's soyabean industry are described in the *Table 5*.

### PROSPECTS IN ARGENTINA'S SOYABEAN INDUSTRY

The export tax imposed on soyabean would have been lowered by 5% per year until it was eliminated, but weak economic recovery derailed the plan for a 5% reduction in the soyabean export tax in 2016. Farmers in Argentina had hoped for a quicker reduction in the soyabean export tax. As mentioned previously, starting in January 2018, the export tax on soyabean will decline by 0.5% per month for the whole of 2018 and 2019. Over this two-year period, the soyabean export tax will thus decline from the current 30% to 18% by the end of 2019. The same

**TABLE 5. SWOT (strengths, weaknesses, opportunities and threats) ANALYSIS OF THE SOYABEAN INDUSTRY IN ARGENTINA**

| Strengths                                       | Weaknesses                                   |
|---|--|
| Huge crushing industry and capacity             | Economic uncertainty                         |
| World's largest soyabean derivatives exporter   | Currency restrictions                        |
| Large biodiesel industry                        | High export taxes                            |
| Opportunities                                   | Threats                                      |
| Good infrastructure: Logistics/port facilities  | Strikes by workers                           |
| Expanding soyabean production                   | Competition with soyabean from US and Brazil |
| Recent policy changes in the agriculture sector | Competition from other vegetable oils        |

Source: MPOB (2015).

rate of reduction in export taxes will hold for soyabean meal and oil, which currently stand at 27%. It is now expected that farmers will be likely to increase their soyabean planting plans. However, farmers are seen to be holding back some of their soyabean after harvest, presumably waiting for the tax to start declining.

### CONCLUSION

An expansion of the soyabean planted area, high yield performance, high investments in the soyabean crushing industry, a high level of technology and capacity in the soyabean processing

sector, as well as logistics and transportation efficiency, have strongly contributed to the significant increase in Argentina's soyabean production. Furthermore, the soyabean industry is seen to have increased substantially, following a reduction by 5% in export taxes on soyabean and its products which is likely to boost the export of this oilseed and its products.

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