

MARKET SNAPSHOT: TUNISIA



TUNISIA

Middle East & North Africa Region

COUNTRY STATS

POPULATION (2022):

11.85 million (Urbanization 70%)

POPULATION (2050):

13.4 (Urbanization 75%)

GDP (2022):

USD \$47.08 billion

AVG. ECONOMIC GROWTH (2018-2022): 2.4%

PER CAPITA INCOME (2022):

USD \$4,191

Tunisia is a small country in North Africa with an economy based on agriculture, manufacturing, tourism and services. Most soybeans are destined for one crushing plant and two extrusion plants. The most important use for soybean meal is poultry meat and egg production. Dairy and ruminant feeds are also important. Full fat and extruded pressed soybean meal are becoming popular for animal and fish feed since the start of the Green Label Oil Extrusion Plant in 2017. Depending on production cost, their main use is in poultry (young turkeys in particular). Aquaculture feeds and pet foods represent a small volume and have been seeing a high growth rate for about three years.

Gradually, Tunisian imports have moved from the government to private import companies, and from a 100% Argentine low protein soybean meal market to a high protein soybean meal market, mainly crushed locally and not exclusive to Argentine origin. Beans are mainly imported from the U.S. and Brazil. Small quantities of soybean meal are imported occasionally during the crush of local rapeseeds.

U.S. Soy has collaborated in Tunisia since the early 1990s.

MARKET STATS

Soy Usage Market Size by Volume 2022

Animal Protein (total)	82%	Aquaculture	0.002%
Poultry	53.6%	Oil	17%
Cattle & Sheep	46.4 %	Other (e.g. Pet Food)	0.005%

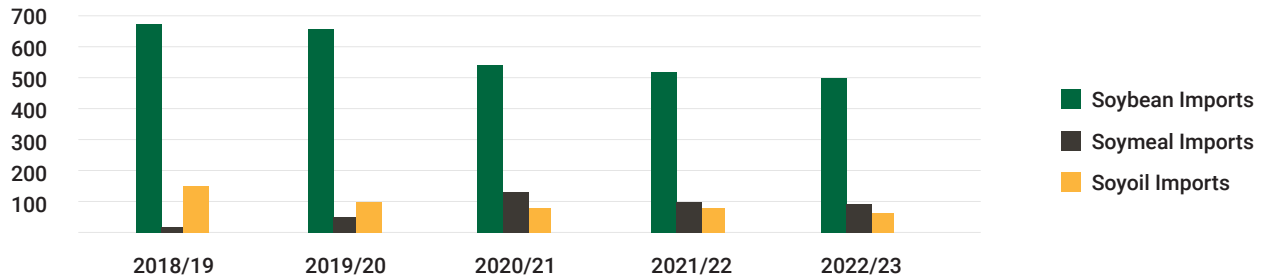
SOY MARKET SIZE MY 2022/2023

Product	Total Volume	U.S. Soy Volume	U.S. Soy % Share
Soy Complex (whole soybean, meal, oil)	0.733 MMT	0.330 MMT	75%
Whole Bean	0.520 MMT	0.330 MMT	63.4%
Soybean Meal	0.114 MMT	0 MMT	0%
Soybean Oil	0.979 MMT	0 MMT	0%

MMT=million metric tons

SOY PRODUCT IMPORTS

(x 1,000 MT)



Source: Oil World 2018-2023; Ministry of Agriculture and Local Companies for 2022/23 import figures.

STRENGTHS

- With reasonable price differences, U.S. Soy has higher preference in poultry integration groups, despite soybean meal still being a price-driven market in general. The largest importing companies recognize U.S. Soy advantages, but not enough to favor U.S. Soy imports if the price difference is more than \$4-5 USD.
- Refiners prefer good-quality U.S. Soy for better soybean oil quality compared to Brazilian soybeans.
- Sustainability is still not well recognized by the industry, especially with the country's current economic crisis and significant losses in the poultry and dairy industries. However, youth in Tunisia are well educated on the topic for the future.
- The 2022 financial bill removed minimum protection for local crushing, so the import tax was reduced from 15% to zero, though it favors Argentine origin. Thus, lobbying is needed to come back to minimum protection for local crush.

OPPORTUNITIES

- Pushing for veterinary controlled poultry slaughtering supported by consumer campaigns will maintain poultry consumption. Growth is forecast at 25% by 2035.
- Local crush is stable, while extrusion capacity is projected to increase. Soybean meal consumption will increase gradually with poultry growth. Soybean oil consumption will not increase because of high oil prices and decreased government imports for subsidized vegetable oils.
- Poultry meat consumption is increasing because of red meat price records; a decrease in purchasing power does not affect poultry product consumption.
- Tunisians, especially young people, are becoming more aware of the carbon footprint for food ingredients as they begin to care more about their food sources. Hypermarkets have gradually started pushing for organic food as well as healthy food and sustainable nutrition.
- Immediate lobbying is needed to review custom tax policies and support local crush. Benefits include stability and consistency of supply, lower costs and gains on oil prices.

CHALLENGES

- End users (essential amino acids, sugars, fiber, etc.) lack knowledge of the true advantages of U.S. Soy. More communication is needed during this period of record prices.
- COVID-19 and the international commodities crisis had heavy consequences for small operations and caused a dramatic economic crisis. Uncertainties still disrupt business in general.
- Sustainability education is needed for younger generations, but immediate action would not be welcome in this period of crisis.
- Current high prices of soybean meal and soybean oil are an obstacle to any immediate action in the matter of custom tax discussion.

Sources:

- Ministry of Agriculture and local companies, not published on websites