

Global vegetable oil production set to hit another record high

UFOP calls for reassessment of caps on crop biomass in EU legislation

Berlin, 21 May 2026. – A preliminary estimate by the US Department of Agriculture (USDA) of global vegetable oil supply and demand in 2026/27 marketing year indicates that global production is likely to reach 244.1 million tonnes, representing an increase of approximately 6.8 million tonnes compared with the current season. Supply is expected to fully cover demand, which is forecast at 237.6 million tonnes. Against this backdrop, the Union zur Förderung von Oel- und Proteinpflanzen (UFOP) sees an urgent need to reassess and adjust the cap on biofuels derived from cultivated biomass because sufficient feedstock availability serves as a buffer and strengthens security of supply.

According to research conducted by Agrarmarkt Informations-Gesellschaft (mbH) (AMI), palm oil is set to remain the world's most important vegetable oil in terms of production and consumption, with global output estimated at a record 81.4 million tonnes. This would represent an increase of 90,000 tonnes compared with 2025/26. Indonesia is expected to remain the largest producer with an output of 47.5 million tonnes, followed by Malaysia at 19.6 million tonnes and Thailand at 3.7 million tonnes.

Production of soybean oil is expected to see the most pronounced rise in the coming crop year, with the increase projected at 2.9 million tonnes, bringing total output to 74.7 million tonnes. China, by far the largest processor of soybeans, is anticipated to remain the leading producer of soybean oil with 21.4 million tonnes, followed by the United States with just over 14.8 million tonnes.

Production of rapeseed oil in 2026/27 is expected to increase 2.7 million tonnes compared with the current season, reaching 37.2 million tonnes. Sunflower seed oil output is projected to grow by around 2.6 million tonnes to 23.5 million tonnes, primarily due to higher production in Ukraine, Russia and the EU-27.

The Union zur Förderung von Oel- und Proteinpflanzen e. V. (UFOP) has underlined the growing demand for waste oils and fats for biodiesel and HVO production associated with the implementation of RED III in EU member states and ambitious quota policies in North and South America. In the case of waste oils, UFOP estimates that between 5 per cent and 10 per cent of global vegetable oil production can be collected as waste oil. The global volume of waste oil suitable for collection is therefore only around 12 to 24 million tonnes. According to UFOP, shipping and aviation have also become competitors for this feedstock, because under EU



Union zur Förderung
von Oel- und Proteinpflanzen e. V.

Herausgeber:

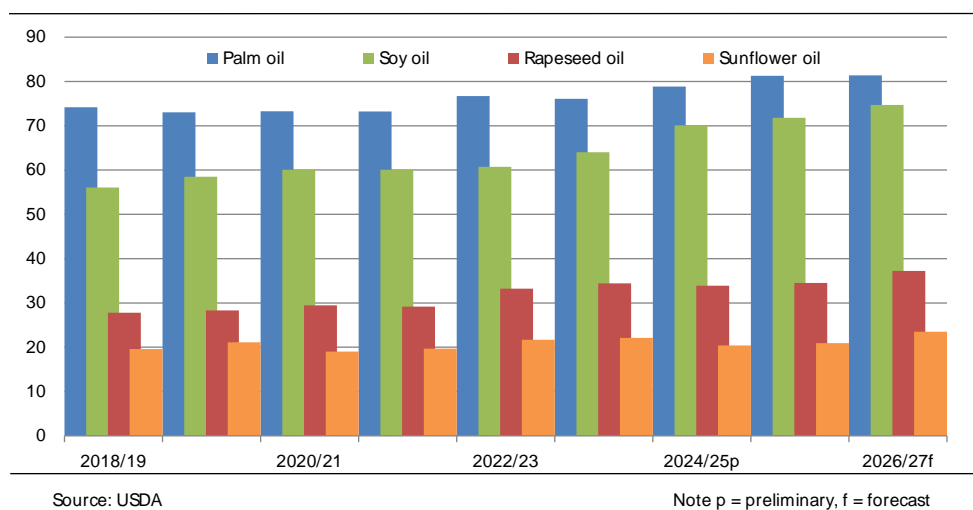
UFOP e. V.
Claire-Waldoff-Straße 7
10117 Berlin
Telefon 030/235 97 99 - 0
Telefax 030/235 97 99 - 99
E-Mail info@ufop.de
Web www.ufop.de

INFORMATION
Union zur Förderung von Oel- und Proteinpflanzen e. V.

legislation biofuels counted towards targets in these sectors must be produced from waste or residual materials.

UFOP has stressed that this feedstock displacement effect is undermining the decarbonisation of road transport. Consequently, in view of the forthcoming revision of the Renewable Energy Directive (RED IV), UFOP has raised the question of whether the caps on biofuels from cultivated biomass and their contribution to security of supply need to be reviewed. The reason given is that adjusting the caps would create a supply buffer that would help meet statutory blending and climate change mitigation targets. UFOP has also noted critically that, in its latest report, the Expert Council on Climate Issues concluded that the German government's Climate Action Programme for the transport sector is inadequate and based on little more than hope.

Global vegetable oil production
in million tonnes



Editorial contact:

Stephan Arens

Tel. +49 (0)30 235 97 99 – 10

E-Mail: s.aren@ufop.de

Quick information on UFOP e. V.:

The Union for the Promotion of Oil and Protein Crops e. V. (UFOP) represents the political interests of companies, associations and institutions involved in the production, processing and marketing of domestic oil and protein crops in national and international bodies. UFOP supports research to optimise agricultural production and for the development of new utilisation possibilities in the food, non-food and feed sectors. UFOP public relations aim to promote the marketing of domestic oil and protein crop end products.