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Germany

Oilseeds and Products

Rapeseed crop estimate raised but still below last year's result

2005

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Report Highlights:

German Ministry for Consumer Protection, Food, and Agriculture (BMVEL) has issued a preliminary estimate for the German 2005 winter rapeseed crop at 5.0 million MT compared to the previous estimate of 4.6 million MT, and last year's result of 5.2 million MT. This above average crop is due to little winterkill, combined with favorable growing conditions in late spring and summer. As a result, yields are estimated to remain above average in the second year in a row, albeit 8 percent below the record yields of 2004. The increase in area amounts to 4.4 percent.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Berlin [GM1]
[GM]

In its harvest press conference the German Ministry for Consumer Protection, Food, and Agriculture (BMVEL) raised its crop estimate for winter rapeseed from 4.6 million MT to 5.0 million MT. This is a decrease of 4.5 percent from last year's record crop, but still 23 percent above the five year average. Winter rapeseed area increased by 4.4 percent to 1.323 million ha in 2005 compared to 2004. Summer rapeseed plays a minor role in Germany. It only consisted of about 22,100 ha in 2005 and is expected to result in a crop of 45,000 MT. The total German rapeseed crop therefore is expected to amount to 5.045 million MT in 2005.

The crop suffered little from winter kill but spring development was somewhat retarded by cold temperatures. Too little precipitation in April and night frosts in Eastern Germany caused some damage, but good growing conditions in late spring and summer helped plants to recuperate and resulted in better than expected yields. Adding to this is the higher planting share of modern hybrid varieties. According to the BMVEL estimate, the average winter rapeseed yield decreased by 8.4 percent from 4.13 MT/ha to 3.78 MT/ha. From 2003 to 2004 the average yield had increased by 40 percent. Details by state are shown in the table on page 3.

Producer prices averaged 194.40 Euro per MT this week versus 191.40 Euro per MT this time last year. Nevertheless, producers are reluctant to sell their rapeseed as they hope for better prices later in the season. In calendar year 2004, about 980,000 MT of rapeseed oil or 48 percent of total rapeseed oil production in Germany were used for biodiesel production. The high oil price has fuelled consumer demand for biodiesel as it is cheaper than mineral diesel thanks to the tax break it is receiving. This translates into higher demand for rapeseed oil and will consequently raise rapeseed prices.

Rapeseed plantings for the harvest 2006 occur from August 15 to the first two weeks of September. Rapeseed seed sales suggest that the rapeseed area will again be increased.

Table 1: German Area and Production of Rapeseed by State *

State	2004	2005	Change (in %)	2004	2005	change (in %)
	final (1000 ha)	preliminary (1000 ha)		final (million MT)	preliminary (million MT)	
Mecklenburg- West Pomerania	233.0	230.2	-1.2	1053.3	907.9	-13.8
Bavaria	138.4	161.4	16.6	534.5	597.1	11.7
Saxony-Anhalt	137.9	145.5	5.5	574.8	553.4	-3.7
Lower Saxony	101.2	115.3	13.9	410.7	442.0	7.6
Schleswig-Holstein	113.1	104.9	-7.3	499.8	436.7	-12.6
Saxony	117.7	120.7	2.5	492.0	433.4	-11.9
Brandenburg	107.0	114.1	6.6	443.8	415.2	-6.4
Thuringia	108.9	109.0	0.1	431.4	398.0	-7.7
Baden-Wuerttemberg	62.4	67.3	7.9	239.0	253.8	6.2
North Rhine-Westfalia	56.1	60.7	8.2	219.2	217.9	-0.6
Hessia	55.0	58.0	5.5	193.6	212.3	9.7
Rhineland-Palatinate	33.0	32.3	-2.1	132.4	122.6	-7.4
Saarland	3.0	3.3	10.0	10.5	12.1	15.2
Total	1,267	1,323	4.4	5,237	5,004	-4.4

*ranked by production in 2005

Source: German Federal Ministry for Consumer Protection, Food, and Agriculture (BMVEL)

Table 2: Rapeseed Yield per Hectare by State

State	2004 final (MT/ha)	2005 preliminary (MT/ha)	change (in %)
Schleswig-Holstein	4.42	4.16	-5.9
Mecklenburg-Western Pomerania	4.52	3.94	-12.8
Lower Saxony	4.06	3.83	-5.7
Saxony-Anhalt	4.17	3.80	-8.9
Rhineland-Palatinate	4.02	3.79	-5.7
Baden-Wuerttemberg	3.83	3.77	-1.6
Bavaria	3.86	3.70	-4.1
Hessia	3.52	3.66	4.0
Thuringia	3.96	3.65	-7.8
Brandenburg	4.15	3.64	-12.3
Saarland	3.53	3.62	2.5
North Rhine-Westfalia	3.90	3.59	-7.9
Saxony	4.18	3.59	-14.1
Total	4.13	3.78	-8.4

*ranked by yield in 2005

Source: German Federal Ministry for Consumer Protection, Food, and Agriculture (BMVEL)