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Report Highlights:

Despite a year-on-year increase in EU grain production, which is now forecast to reach 292.5 MMT, the overall EU grain balance looks tight with only a small recovery in ending stocks forecast, driven by improved corn availability. EU domestic consumption and industrial uses are forecast up, while eroding margins, combined with COVID-19 related gathering restrictions, animal disease outbreaks across the EU, and the slowing demand in meat export markets are anticipated to curb food and feed grain use in MY2021/22.

Disclaimer: This report presents an updated outlook for grain and feed, and Production, Supply and Distribution (PSD) forecasts for the Marketing Year (MY) 2021/22. Unless stated otherwise, data in this report is based on the views of Foreign Agricultural Service analysts in the European Union (EU) and is not official USDA data.

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Note: Effective January 1, 2021, the separation of the United Kingdom (UK) from the European Union (EU) is complete, including trade between both entities. In this report, and if not otherwise indicated, the EU term represents the current EU-27 (without the UK).

Abbreviations used in this report

Benelux	Belgium, the Netherlands, and Luxemburg
Coarse Grains	Threshed, dry seeds of plant, cultivated for human/and or animal consumption and gathered in the dried, unprocessed state upon maturity. Is the total of corn, barley, rye, oats, mixed grains, and sorghum.
e	Estimate (of a value/number for the current, not yet completed, marketing year)
f	Forecast (of a value/number for the next, not yet started, marketing year)
FAS	Foreign Agricultural Service
Ha	Hectares
IPAD	International Production Assessment Division
MMT	Million Metric Tons
MS	EU Member State(s)
MT	Metric Ton (1000 kg)
MY	Marketing Year. Begins with the month listed at the top of each column. MY is July to June fall all grains, except for corn which follows an October to September, and rice which follows a September to August calendar.
TMT	Thousand Metric Tons
TY	Trade Year, July to June for wheat, October to September for coarse grains, and January to December for rice.

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY

U.S. United States
Executive Summary

Total Grains ¹	2019/2020		2020/2021		2021/2022	
	USDA Official	New Post EU	USDA Official	New Post EU	USDA Official	New Post EU
European Union						
Area Harvested (1000 HA)	53,094	52,952	52,481	51,580	52,750	51,897
Beginning Stocks (1000 MT)	30,305	30,305	27,008	27,309	23,431	25,180
Production (1000 MT)	291,473	291,214	279,937	283,090	293,700	292,491
MY Imports (1000 MT)	24,974	24,976	21,361	21,166	21,710	21,776
TY Imports (1000 MT)	24,226	24,218	21,309	21,125	21,685	21,730
TY Imp. from U.S. (1000 MT)	1,030	1,042	14	666	0	813
Total Supply (1000 MT)	346,752	346,495	328,306	331,565	338,841	339,447
MY Exports (1000 MT)	53,416	53,438	41,037	41,047	48,545	47,100
TY Exports (1000 MT)	53,258	53,280	41,969	41,209	48,545	47,100
Feed and Residual (1000 MT)	165,150	165,313	162,740	163,850	165,025	163,311
FSI Consumption (1000 MT)	101,178	100,435	101,098	101,488	101,476	101,988
Total Consumption (1000 MT)	266,328	265,748	263,838	265,338	266,501	265,299
Ending Stocks (1000 MT)	27,008	27,309	23,431	25,180	23,795	27,048
Total Distribution (1000 MT)	346,752	346,495	328,306	331,565	338,841	339,447

(1000 HA), (1000 MT), (MT/HA)

Source: FAS EU Posts.

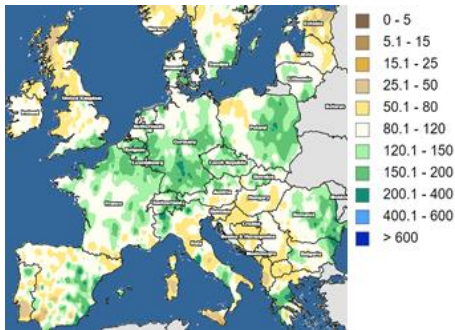
Total EU grain area for MY2021/22 has been revised down compared to previous estimates. The upward revisions reported in [Bulgaria](#), France, Germany, and Spain, for wheat, along with the increased corn area reported in Poland, [Bulgaria](#) and Hungary [are](#) not sufficient to offset the lower-than-anticipated area planted to barley in France, [Spain](#), and Germany, and the smaller area planted to minor grains (rye and mixed grains) in Poland and Finland.

Overall EU grain production is set to rebound in MY2021/22 and reach 292.5 MMT, over 9.5 MMT higher than the previous marketing year's volume. However, this figure is over 1 MMT below Post's previous estimate as excessive summer precipitation levels (Graph 1) and colder temperatures (Graph 2) have deteriorated winter grains yield expectations in large grain producers such as France, Germany, and Hungary.

Beyond quantity aspects, the untimely rains may have negatively affected production expectations for the wheat crop in central and western Europe. Conversely, slightly improved yields have been reported both for winter grains and corn in the EU's southeast ([Romania](#) and [Bulgaria](#)) and the EU's southwest ([Spain](#) and Portugal).

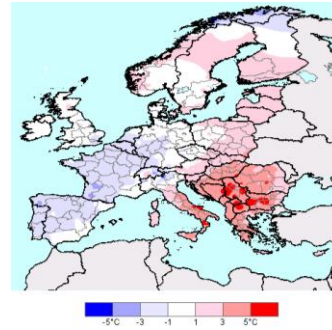
¹ Total grains is the sum of wheat, barley, corn, rye, sorghum, oats, and mixed grains.

**Graph 1. Percent of Normal Rainfall
(June through August 2021)**



Source: IPAD/GMA/ FAS/USDA

**Graph 2. Average Temperature Departure
from Normal (July 26 – Aug 1, 2021)**



Source: IPAD/GMA/ FAS/USDA

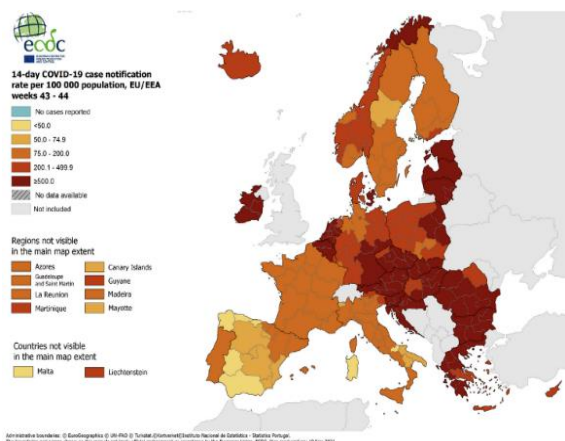
Total EU's grain food, seed, and industrial uses (FSI) has been revised up compared to our previous estimate. This increase can be entirely attributed to expanded industrial uses, as good margins have fueled bioethanol production. Additional information regarding EU's Bioethanol Sector is available in the latest [EU Biofuels Report](#) and in the latest [Biofuel Mandates in the EU](#) by Member State.

As a result of the containment measures put in place to contain the spread of COVID-19 across the EU (Graph 3), food uses have been revised down compared to our previous estimates, although still anticipated to overcome MY2020/21 levels. While there are some EU Member States where mobility and gathering restrictions are virtually lifted and Hotels, Restaurants, and Institutions (HRI) carry out normal activities, in some other countries, these limits are being re-introduced.

EU feed manufacturers are trapped between growing input prices (feed ingredients, energy, transport) and the difficulties of passing on the increased cost to the final customer (Graph 4). Eroding margins, combined with COVID-19 related restrictions, animal diseases outbreaks across the EU, and the demand slowdown in meat export markets, may curb the EU compound feed industry's expansion possibilities in MY2021/22. On a positive note, price competitiveness and ample availability is helping corn to secure its prominent position in the feed formula, especially at the expenses of barley and minor grains. However, the larger availability of feed quality wheat in the EU will contribute to maintaining feed wheat uses at high levels. Additional information regarding feed demand trends is available in the most recent EU [Livestock](#) and [Poultry](#) GAIN reports.

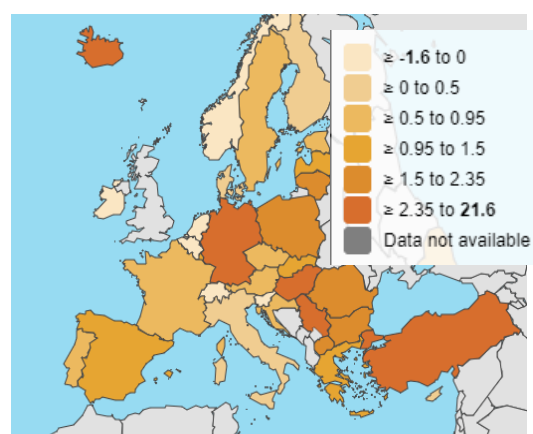
[Ukraine](#)'s positive outlook for MY2021/22 grain production, combined with the good prospects for the MY2021/22 [Brazilian first crop](#), is expected to ease tensions in the EU grain market. Quality issues affecting west and central EU wheat production may compromise the bloc's grain export volumes. However, given the global tight wheat supply situation, total EU grains export in MY2021/22 may still be sizeable. The larger domestic grain production and the positive outlook in main trading partners has partially alleviated the EU's tight balance, allowing for marginal recovery in ending stocks.

Graph 3. 14-Day Case Notification Rate per 100,000 Inhabitants (Week of Nov 25, 2021)



Source: European Centre for Disease Prevention and Control

Graph 4. Harmonized Index of Consumer Prices*



Source: Eurostat. *12-Month Average Rate of Change Food & Non-Alc. Bev. (October 2021)

Section I. Wheat

Wheat	2019/2020		2020/2021		2021/2022	
	Jul 2019		Jul 2020		Jul 2021	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Market Year Begins						
European Union						
Area Harvested (1000 HA)	24,362	24,360	23,084	22,970	24,050	24,150
Beginning Stocks (1000 MT)	15,798	15,798	12,624	13,100	10,035	11,250
Production (1000 MT)	138,741	138,780	126,012	127,260	138,400	138,550
MY Imports (1000 MT)	5,551	5,551	5,379	5,385	5,300	5,000
TY Imports (1000 MT)	5,551	5,551	5,379	5,385	5,300	5,000
TY Imp. from U.S. (1000 MT)	1,025	1,026	0	657	0	800
Total Supply (1000 MT)	160,090	160,129	144,015	145,745	153,735	154,800
MY Exports (1000 MT)	39,766	39,788	29,730	29,740	36,500	34,550
TY Exports (1000 MT)	39,766	39,788	29,730	29,740	36,500	34,550
Feed and Residual (1000 MT)	45,500	45,731	42,000	42,515	45,000	45,390
FSI Consumption (1000 MT)	62,200	61,510	62,250	62,240	62,500	62,130
Total Consumption (1000 MT)	107,700	107,241	104,250	104,755	107,500	107,520
Ending Stocks (1000 MT)	12,624	13,100	10,035	11,250	9,735	12,730
Total Distribution (1000 MT)	160,090	160,129	144,015	145,745	153,735	154,800
Yield (MT/HA)	5.695	5.697	5.4588	5.5403	5.7547	5.7371

(1000 HA) ,(1000 MT) ,(MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Wheat begins in July for all countries. TY 2021/2022 = July 2021 - June 2022

Source: FAS EU Posts.

EU wheat area in MY2021/22 has been slightly adjusted upwards compared to previous estimates due to higher than anticipated plantings notably in [Bulgaria](#), France, Germany, and [Spain](#). EU wheat crop is also revised up and it is projected now to reach 138.5 MMT, up from MY2020/21 levels. Production exceeded July forecasts in most eastern European countries such as [Bulgaria](#), [Romania](#), and Poland, as well as in [Spain](#). However, this higher figure hides significant declines from previous estimates especially in France, Germany, and Italy.

Favorable spring with moderate temperatures and abundant rainfall lead to historically high wheat production in [Bulgaria](#) (7.4 MMT) and in [Romania](#) (11 MMT). The abundant supply in Romania even generated long queues of trucks in the Port of Constanza. Although slightly lower than in MY2020/21, the Polish wheat crop is also still sizeable at 12.1 MMT and similar trends are reported for the wheat crop in Baltic states ([Latvia](#), [Estonia](#), and [Lithuania](#)).

The quality of the crop is reportedly good in Eastern Europe wheat producing countries, even though harvest was delayed and frequently interrupted by rains, which prevented farmers from entering the fields to apply crop protection products.

In western Europe, and notably in France and Belgium, adverse summer weather conditions with excess rainfall and colder temperatures since mid-July delayed harvest between 2 and 4 weeks and reduced wheat yield expectations. At 37 MMT, the French wheat crop is nevertheless much higher than in MY2020/21. However, the wet weather had a toll on the quality of the crop, with more wheat with lower protein content, which could be an issue for export markets. Likewise, the wheat crop in Germany was lower than previously anticipated due to the heavy rains and fungal diseases.

In MY2021/22 the larger anticipated wheat production would allow for EU wheat exports and feed uses to increase compared to MY 2020/21 levels and still leave room for a marginal recovery in ending stocks. FSI use of wheat has been revised down due to slightly lower industrial uses, both for biofuel production and starch manufacturing, as high wheat prices make corn more competitive for these uses.

Being price competitive, wheat from [Bulgaria](#) and [Romania](#) is expected to gain market shares in Egypt as well as in Pakistan, Turkey, Israel, and South Korea. Quality issues could slightly hamper French wheat exports to Algeria, although the global tight supply situation and adequate pricing could alleviate this concern. EU wheat exporters are also looking at the Chinese market, where France exported 2 MMT of wheat in MY2020/21, as political issues may negatively affect Australian wheat exports to China. With a wheat crop almost as high as in MY2019/20, EU wheat imports are revised down for MY2021/22, as Italy is now forecast to import slightly less durum wheat partly as a consequence of high prices due to the short durum crop in [Canada](#).

Section II. Coarse Grains

Corn

Corn	2019/2020		2020/2021		2021/2022	
	Oct 2019		Oct 2020		Oct 2021	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Market Year Begins						
European Union						
Area Harvested (1000 HA)	8,907	8,900	9,041	9,250	9,075	9,200
Beginning Stocks (1000 MT)	7,644	7,644	7,575	7,387	6,885	7,647
Production (1000 MT)	66,735	66,745	64,410	67,000	67,850	69,500
MY Imports (1000 MT)	17,384	17,386	14,600	14,400	15,000	15,500
TY Imports (1000 MT)	17,384	17,386	14,600	14,400	15,000	15,500
TY Imp. from U.S. (1000 MT)	3	14	3	6	0	120
Total Supply (1000 MT)	91,763	91,775	86,585	88,787	89,735	92,647
MY Exports (1000 MT)	5,388	5,388	3,600	3,600	4,400	5,000
TY Exports (1000 MT)	5,388	5,388	3,600	3,600	4,400	5,000
Feed and Residual (1000 MT)	59,000	59,100	56,400	57,100	58,200	58,700
FSI Consumption (1000 MT)	19,800	19,900	19,700	20,440	19,800	20,900
Total Consumption (1000 MT)	78,800	79,000	76,100	77,540	78,000	79,600
Ending Stocks (1000 MT)	7,575	7,387	6,885	7,647	7,335	8,047
Total Distribution (1000 MT)	91,763	91,775	86,585	88,787	89,735	92,647
Yield (MT/HA)	7.4924	7.4994	7.1242	7.2432	7.4766	7.5543

(1000 HA) ,(1000 MT) ,(MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Corn begins in October for all countries. TY 2021/2022 = October 2021 - September 2022

Source: FAS EU Posts.

Compared to the previous Post's estimate, the EU corn area in MY2021/22 has been revised up in response to the historical data revision in Poland, and the latest reports on spring plantings in [Bulgaria](#) and Hungary. Summer heat and drought significantly affected crops in Central Europe and some eastern regions. The yield losses in Hungary, [Bulgaria](#), Croatia, Denmark, and Austria have been counterbalanced by larger output in Poland, Belgium, France, Portugal, and Slovenia, so the overall production figure has been revised upward. Corn harvest started later than usual due to late maturity, and it was still ongoing in mid-November in some parts of Europe due to fall rainfall.

The upward revision in FSI stems from the updated figures on corn industrial use in some EU Member States, particularly Poland, but also Germany and [Spain](#), which nulled the decreased corn utilization in industrial processing coming from Hungary, Austria, and [Bulgaria](#). Corn incorporation in feed is anticipated to grow in most EU Member States, given its increased competitiveness against other grains. However, some Member States such as Hungary, France, Austria, and [Romania](#) anticipate a reduction in feed use either because of availability of other grains or reduced domestic feed demand.

Despite the EU's increased domestic availability, the MY2021/22 prospects for corn imports remain positive due to the abundance of competitively priced corn supplies in [Ukraine](#) (the first half of the MY) and [Brazil](#). A potential decrease in exports from [Bulgaria](#) is offset by positive prospects from [Romania](#), France, and Poland, stimulated by strong exports, predominately to Turkey and Middle East countries. Higher ending stocks reflect a less tight corn balance at the end of MY2021/22 as compared to the previous year.

Barley

Barley	2019/2020		2020/2021		2021/2022	
	Jul 2019		Jul 2020		Jul 2021	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Market Year Begins						
European Union						
Area Harvested (1000 HA)	11,161	11,161	11,411	11,025	10,730	10,383
Beginning Stocks (1000 MT)	5,457	5,457	5,295	5,295	5,013	5,063
Production (1000 MT)	55,268	55,268	55,433	55,433	53,900	52,550
MY Imports (1000 MT)	1,837	1,837	1,228	1,228	1,300	1,100
TY Imports (1000 MT)	1,089	1,089	1,150	1,150	1,300	1,100
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	62,562	62,562	61,956	61,956	60,213	58,713
MY Exports (1000 MT)	7,767	7,767	7,393	7,393	7,300	7,200
TY Exports (1000 MT)	7,579	7,579	8,350	7,580	7,300	7,200
Feed and Residual (1000 MT)	36,700	36,700	37,000	37,000	35,300	33,800
FSI Consumption (1000 MT)	12,800	12,800	12,550	12,500	12,600	12,700
Total Consumption (1000 MT)	49,500	49,500	49,550	49,500	47,900	46,500
Ending Stocks (1000 MT)	5,295	5,295	5,013	5,063	5,013	5,013
Total Distribution (1000 MT)	62,562	62,562	61,956	61,956	60,213	58,713
Yield (MT/HA)	4.9519	4.9519	4.8579	5.0279	5.0233	5.0612

(1000 HA) ,(1000 MT) ,(MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Barley begins in October for all countries. TY 2021/2022 = October 2021 - September 2022

Source: FAS EU Posts.

Barley area has been revised down to 10.4 million Ha, driven by a smaller planted area in France, [Spain](#), and Germany. The higher yields recorded in France, [Romania](#), [Bulgaria](#), Hungary, and Ireland did not compensate for the reductions in area. As a result, the EU's barley production is projected down to 52.5 MMT in MY2021/22.

Despite the consecutive waves of COVID-19 across the EU, a recovery in barley FSI uses is anticipated, as the brewing industry returns to pre-pandemic production levels. Conversely, competitive corn, and to a lesser extent, wheat, are replacing barley in feed.

Barley imports are projected to fall to 1.1 MMT in MY2021/22 as production in the [United Kingdom](#), EU's main barley supplier, is expected down compared to the previous season. At the same time [Ukrainian](#) exporters are more focused on maintaining their barley positions in Asian markets than in the EU. EU barley exports are down year-on-year as China's demand is reduced, the exportable supply is limited, and its price competitiveness is eroded. Barley ending stocks are expected to remain tight and flat at 5 MMT.

Rye

Rye	2019/2020		2020/2021		2021/2022	
	Jul 2019		Jul 2020		Jul 2021	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Market Year Begins						
European Union						
Area Harvested (1000 HA)	2,208	2,209	2,223	2,080	2,175	1,965
Beginning Stocks (1000 MT)	513	513	555	595	506	510
Production (1000 MT)	8,400	8,400	9,120	8,965	8,950	8,200
MY Imports (1000 MT)	4	4	87	86	30	35
TY Imports (1000 MT)	0	0	125	135	5	5
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	8,917	8,917	9,762	9,646	9,486	8,745
MY Exports (1000 MT)	262	262	156	156	125	130
TY Exports (1000 MT)	274	274	125	125	125	130
Feed and Residual (1000 MT)	4,800	4,800	5,700	5,700	5,300	4,950
FSI Consumption (1000 MT)	3,300	3,260	3,400	3,280	3,300	3,200
Total Consumption (1000 MT)	8,100	8,060	9,100	8,980	8,600	8,150
Ending Stocks (1000 MT)	555	595	506	510	761	465
Total Distribution (1000 MT)	8,917	8,917	9,762	9,646	9,486	8,745
Yield (MT/HA)	3.8043	3.8026	4.1026	4.3101	4.1149	4.173

(1000 HA) ,(1000 MT) ,(MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Rye begins in October for all countries. TY 2021/2022 = October 2021 - September 2022

Source: FAS EU Posts.

Oats

Oats	2019/2020		2020/2021		2021/2022	
	Jul 2019		Jul 2020		Jul 2021	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Market Year Begins						
European Union						
Area Harvested (1000 HA)	2,368	2,238	2,580	2,418	2,600	2,450
Beginning Stocks (1000 MT)	371	371	325	309	497	244
Production (1000 MT)	6,958	6,500	8,487	8,000	8,200	7,700
MY Imports (1000 MT)	114	114	49	49	50	66
TY Imports (1000 MT)	113	113	40	40	50	50
TY Imp. from U.S. (1000 MT)	0	0	9	0	0	0
Total Supply (1000 MT)	7,443	6,985	8,861	8,358	8,747	8,010
MY Exports (1000 MT)	218	218	139	139	200	200
TY Exports (1000 MT)	235	235	145	145	200	200
Feed and Residual (1000 MT)	5,600	5,200	6,800	6,650	6,700	6,200
FSI Consumption (1000 MT)	1,300	1,258	1,425	1,325	1,450	1,330
Total Consumption (1000 MT)	6,900	6,458	8,225	7,975	8,150	7,530
Ending Stocks (1000 MT)	325	309	497	244	397	280
Total Distribution (1000 MT)	7,443	6,985	8,861	8,358	8,747	8,010
Yield (MT/HA)	2.9383	2.9044	3.2895	3.3085	3.1538	3.1429

(1000 HA) ,(1000 MT) ,(MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Oats begins in October for all countries. TY 2021/2022 = October 2021 - September 2022

Source: FAS EU Posts.

Mixed Grains

Mixed Grain	2019/2020		2020/2021		2021/2022	
	Jul 2019		Jul 2020		Jul 2021	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Market Year Begins						
European Union						
Area Harvested (1000 HA)	3,928	3,892	3,949	3,616	3,950	3,561
Beginning Stocks (1000 MT)	419	419	592	590	464	435
Production (1000 MT)	14,523	14,450	15,472	15,325	15,450	14,950
MY Imports (1000 MT)	0	0	0	0	0	0
TY Imports (1000 MT)	0	0	0	0	0	0
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	14,942	14,869	16,064	15,915	15,914	15,385
MY Exports (1000 MT)	0	0	0	0	0	0
TY Exports (1000 MT)	0	0	0	0	0	0
Feed and Residual (1000 MT)	12,600	12,600	13,850	13,800	13,600	13,200
FSI Consumption (1000 MT)	1,750	1,679	1,750	1,680	1,800	1,705
Total Consumption (1000 MT)	14,350	14,279	15,600	15,480	15,400	14,905
Ending Stocks (1000 MT)	592	590	464	435	514	480
Total Distribution (1000 MT)	14,942	14,869	16,064	15,915	15,914	15,385
Yield (MT/HA)	3.6973	3.7127	3.918	4.2381	3.9114	4.1983

(1000 HA) ,(1000 MT) ,(MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Mixed Grain begins in October for all countries. TY 2021/2022 = October 2021 - September 2022

Source: FAS EU Posts.

Sorghum

Sorghum	2019/2020		2020/2021		2021/2022	
	Jul 2019		Jul 2020		Jul 2021	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Market Year Begins						
European Union						
Area Harvested (1000 HA)	160	192	193	221	170	188
Beginning Stocks (1000 MT)	103	103	42	33	31	31
Production (1000 MT)	848	1,071	1,003	1,107	950	1,041
MY Imports (1000 MT)	84	84	18	18	30	75
TY Imports (1000 MT)	89	79	15	15	30	75
TY Imp. from U.S. (1000 MT)	2	2	2	3	0	4
Total Supply (1000 MT)	1,035	1,258	1,063	1,158	1,011	1,147
MY Exports (1000 MT)	15	15	19	19	20	20
TY Exports (1000 MT)	16	16	19	19	20	20
Feed and Residual (1000 MT)	950	1,182	990	1,085	925	1,071
FSI Consumption (1000 MT)	28	28	23	23	26	23
Total Consumption (1000 MT)	978	1,210	1,013	1,108	951	1,094
Ending Stocks (1000 MT)	42	33	31	31	40	33
Total Distribution (1000 MT)	1,035	1,258	1,063	1,158	1,011	1,147
Yield (MT/HA)	5.3000	5.5781	5.1969	5.009	5.5882	5.5372

(1000 HA) ,(1000 MT) ,(MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Sorghum begins in October for all countries. TY 2021/2022 = October 2021 - September 2022

Source: FAS EU Posts.

Section III. Rice

Rice, Milled	2019/2020		2020/2021		2021/2022	
	Sep 2019		Sep 2020		Sep 2021	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Market Year Begins						
European Union						
Area Harvested (1000 HA)	417	417	420	419	407	405
Beginning Stocks (1000 MT)	1,189	1,189	1,255	1,264	1,154	1,155
Milled Production (1000 MT)	1,985	1,990	1,953	1,951	1,894	1,854
Rough Production (1000 MT)	2,897	2,906	2,845	2,849	2,762	2,719
Milling Rate (.9999) (1000 MT)	6,852	6,848	6,865	6,848	6,857	6,819
MY Imports (1000 MT)	2,003	2,008	1,784	1,780	1,925	1,967
TY Imports (1000 MT)	1,994	1,999	1,800	1,771	1,925	1,958
TY Imp. from U.S. (1000 MT)	28	24	0	20	0	25
Total Supply (1000 MT)	5,177	5,187	4,992	4,995	4,973	4,976
MY Exports (1000 MT)	528	528	438	440	475	435
TY Exports (1000 MT)	506	543	450	455	475	450
Consumption and Residual (1000 MT)	3,394	3,395	3,400	3,400	3,440	3,440
Ending Stocks (1000 MT)	1,255	1,264	1,154	1,155	1,058	1,101
Total Distribution (1000 MT)	5,177	5,187	4,992	4,995	4,973	4,976
Yield (Rough) (MT/HA)	6.9472	6.9688	6.7738	6.7995	6.7862	6.7136

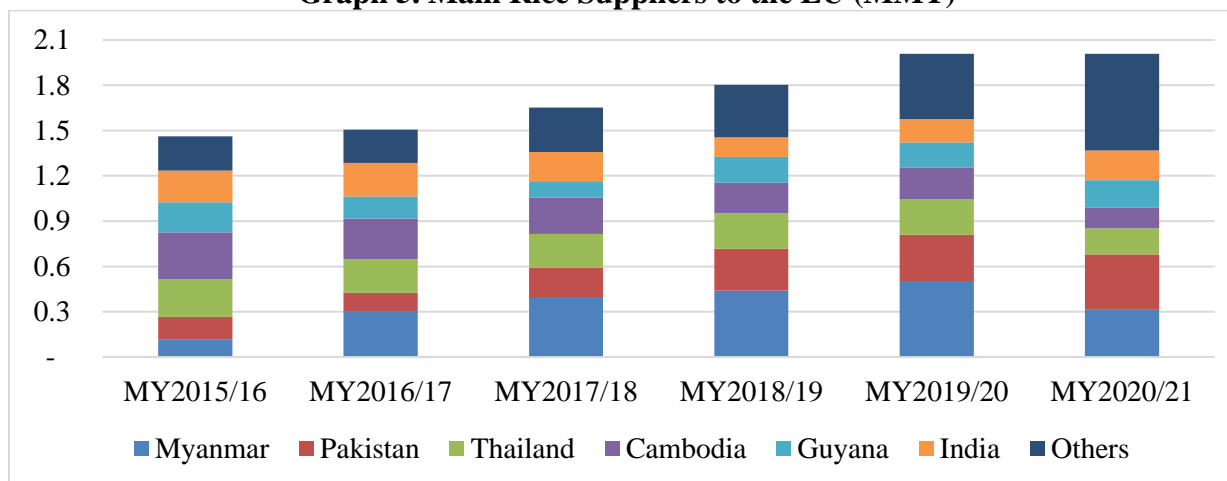
(1000 HA) ,(1000 MT) ,(MT/HA)
 MY = Marketing Year, begins with the month listed at the top of each column
 TY = Trade Year, which for Rice, Milled begins in January for all countries. TY 2021/2022 = January 2022 - December 2022

Source: FAS EU Posts.

EU rice area is concentrated in the southern Member States, namely Italy, [Spain](#), Greece, Portugal, France, [Bulgaria](#), [Romania](#), and Hungary. In MY2021/22, EU rice area and production are forecast to decline due to the drought-driven reduced plantings in [Spain](#) (Guadalquivir River Basin).

Despite the uncertainty surrounding the lingering economic impact of COVID-19, EU rice imports are projected to rise in MY2021/22, driven by lower production and recovering demand, as HRI activity recovers. Pakistan, Myanmar, India, Guyana, Thailand, and Cambodia are expected to remain EU's leading rice suppliers (Graph 5), in particular to non-producing EU Member States where there is a larger affinity for indica rice and non-traditional varieties (i.e. Basmati, wild rice blends, rice, glutinous rice, or starchy rice). MY2021/22 EU rice exports and final stocks are expected to decline given the lower domestic supply. The United Kingdom is the main non-EU rice export destination, followed by Turkey.

Graph 5. Main Rice Suppliers to the EU (MMT)



Source: Trade Data Monitor, LLC.

[Effective September 8, 2021](#), the EU Commission increased the import duty for husked rice (falling within CN code 100620, other than basmati rice) from €30/MT to €42,50/MT. According to the industry, imports will remain strong even with the increased duty, compensating for a limited EU husked rice production.

For additional information on regulations affecting rice, please see the Policy Section at the end of this report.

Section IV. Policy

U.S.-EU WTO Cases on Aircraft Subsidies: In November 2020, in [Regulation \(EU\) 2020/1646](#), the EU imposed 25 percent additional tariffs on U.S. agricultural products, including wheat other than durum, following the World Trade Organization’s ruling authorizing countermeasures against U.S. subsidies to aircraft maker Boeing. On March 2021, the United States and the EU agreed on a four-month suspension on these additional tariffs. In June 2021, the two parties agreed on a five-year Airbus-Boeing ceasefire on punitive tariffs.

EU retaliation on U.S. Section 232 Safeguard Measures on EU Steel and Aluminum: In June 2018, the EU imposed additional tariffs of 25 percent on U.S. corn, semi-milled and milled rice, and other products in retaliation to U.S. safeguard measures on EU steel and aluminum ([Commission Implementing Regulation \(EU\) 2018/886](#)). On October 30, 2021, the United States and European Union agreed to end the dispute over U.S. steel and aluminum tariffs. On November 26, 2021, under [Commission Implementing Regulation \(EU\) 2021/2083](#), the EU suspended tariffs affecting U.S. agricultural products from January 1, 2022 until December 31, 2023.

Rice - Export and Import Licenses: On September 7, 2021, under [Commission Implementing Regulation \(EU\) 2021/1458](#), the EU Commission increased the import duty for husked rice (falling within CN code 100620, other than basmati rice) from €30/MT to €42,50/MT.

For additional information regarding policies affecting grains, please consult the [EU Grain and Feed Annual Report](#).

Related Reports

Bulgaria: Grain and Feed Update	10/20/2021
A Sizeable Grain Crop Reduces the Import Deficit in Spain	07/30/2021
EU Grain Situation Update	07/15/2021
Lithuania: Grain and Feed Update	06/08/2021
Bulgaria: Grain and Feed Update	06/06/2021
Estonia: Grain and Feed Update	06/05/2021
Romanian Grain Production is Poised to Rebound	05/18/2021
Latvia Grain and Feed Update	04/26/2021
EU Grain and Feed Annual	04/16/2021

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Attachments:

No Attachments.