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**Report Highlights:**

Warm and dry summer conditions have taken a toll on EU grain production projections, especially in the case of corn. On a positive note, a surge in corn imports originating from Brazil and Ukraine, with the recent four-month extension of the Black Sea Grain Initiative, have increased predictability of the EU grain market balance. EU grain export expectations have improved based on projected lower internal demand and increased competitiveness of EU wheat in third country markets.

**Disclaimer:** This report presents an updated outlook for grain and feed, and Production, Supply and Distribution (PSD) forecasts for the Marketing Year (MY) 2022/23. Unless stated otherwise, data in this report is based on the views of Foreign Agricultural Service analysts in the EU and is not official USDA data.

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## Abbreviations used in this report

<b>ASF</b>	African Swine Fever
<b>Benelux</b>	Belgium, the Netherlands, and Luxemburg
<b>CY</b>	Calendar year
<b>e</b>	Estimate (of a value/number for the current, not yet completed, marketing year)
<b>EU</b>	European Union (Current EU-27, without the UK).
<b>f</b>	Forecast (of a value/number for the next, not yet started, marketing year)
<b>FAS</b>	Foreign Agricultural Service
<b>Coarse Grains</b>	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.
<b>Ha</b>	Hectares
<b>HPAI</b>	Highly Pathogenic Avian Influenza
<b>HRI</b>	Hotels, Restaurants, and Institutions
<b>IPAD</b>	International Production Assessment Division
<b>FSI</b>	Food, Seed, and Industrial
<b>MMT</b>	Million Metric Tons
<b>MRL</b>	Maximum Residue Limits
<b>MS</b>	EU Member State(s)
<b>MT</b>	Metric Ton (1000 kg)
<b>MY</b>	Marketing Year. July to June for all grains, except for corn which follows an October to September, and rice which follows a September to August calendar
<b>TMT</b>	Thousand Metric Tons
<b>TY</b>	Trade Year. July to June for wheat, October to September for coarse grains, and January to December for rice
<b>UK</b>	United Kingdom
<b>U.S.</b>	United States

## Executive Summary

**Table 1. Production, Supply and Distribution - Total Grains**

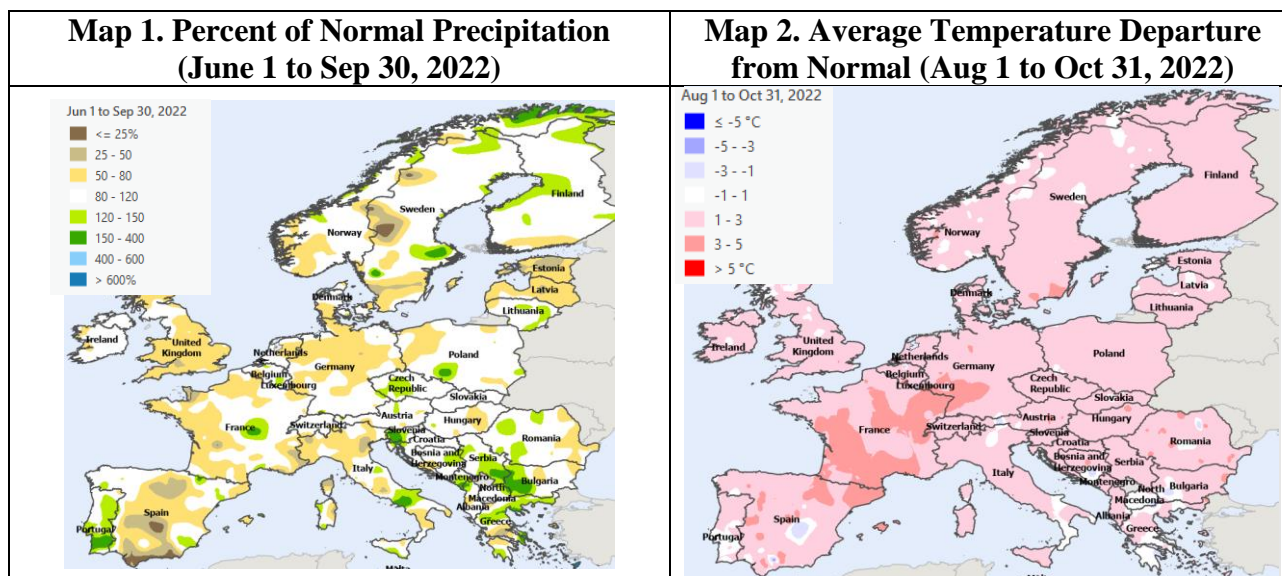
Total Grains <sup>1</sup>	2020/2021		2021/2022		2022/2023	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
<b>European Union</b>						
<b>Area Harvested</b> (1000 HA)	51,740	50,574	52,016	52,012	51,665	51,223
<b>Beginning Stocks</b> (1000 MT)	27,265	27,265	25,314	26,266	30,216	31,619
<b>Production</b> (1000 MT)	282,149	282,497	292,696	292,772	270,965	269,974
<b>MY Imports</b> (1000 MT)	21,246	21,260	26,171	25,877	27,400	28,152
<b>TY Imports</b> (1000 MT)	21,199	21,213	26,431	26,014	27,360	28,134
<b>TY Imp. from U.S.</b> (1000 MT)	671	675	1,125	1,126	0	0
<b>Total Supply</b> (1000 MT)	330,660	331,022	344,181	344,915	328,581	329,745
<b>MY Exports</b> (1000 MT)	41,188	41,190	45,624	45,634	44,270	44,680
<b>TY Exports</b> (1000 MT)	42,292	42,293	44,623	44,591	44,270	44,720
<b>Feed and Residual</b> (1000 MT)	162,410	161,375	165,470	164,442	159,115	156,623
<b>FSI Consumption</b> (1000 MT)	101,748	102,191	102,871	103,220	101,863	102,303
<b>Total Consumption</b> (1000 MT)	264,158	263,566	268,341	267,662	260,978	258,926
<b>Ending Stocks</b> (1000 MT)	25,314	26,266	30,216	31,619	23,333	26,139
<b>Total Distribution</b> (1000 MT)	330,660	331,022	344,181	344,915	328,581	329,745

Source: FAS EU Posts.

Total EU grain area and production estimates for MY 2022/23 have deteriorated compared to previous estimates. Post now pegs total EU grain area at 51 million Ha with production amounting to just below 270 MMT, down by 8 percent compared to MY 2021/22 levels. The extraordinarily dry and hot summer conditions (**Map 1** and **Map 2**) have deteriorated yield expectations, especially for summer grains such as corn. EU's winter grain production obtained comparatively better results than summer grains.

According to geographical distribution, in MY 2022/23, grain production levels improved compared to the previous season in the Benelux and Nordic Countries (Denmark, Sweden, and Finland), the Baltic States (Estonia, Latvia, and Lithuania), Germany, and Poland. Poorer results were reported in Black Sea Region Member States (Romania and [Bulgaria](#)), central EU (Czech Republic, Hungary, Slovakia, Slovenia, and Austria) and towards the EU's southwest (Italy, Croatia, France, [Spain](#), and Portugal).

<sup>1</sup> "Total grains" is the sum of wheat, barley, corn, rye, sorghum, oats, and mixed grains.



Source: IPAD/GMA/ FAS/USDA based on WMO (World Meteorological Organization) data.

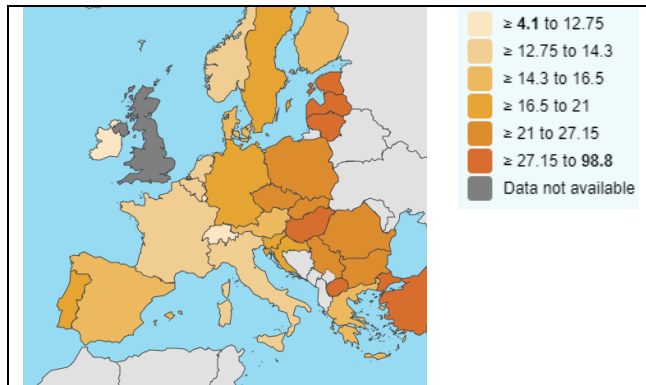
The EU’s total grain consumption for MY 2022/23 has also been revised down further and it is projected to amount to 259 MMT, down from the 268 MMT estimated for MY 2021/22.

Post anticipates a five percent reduction of feed grain demand in MY 2022/23 across the EU. Livestock and poultry producers continue to scale back animal production levels in response to high feed and energy prices, as well as tightening environmental restrictions, and animal health issues affecting animal herds<sup>2</sup> in the EU, such as Highly Pathogenic Avian Influenza (HPAI) in the case of poultry farms, and African Swine Fever (ASF) and Porcine Reproductive and Respiratory Syndrome (PRRS) outbreaks in hog farms. Industry actors closely monitor fundamental and geopolitical developments that are directly affecting feed ingredient price levels, and many opt for buying grains “hand-to-mouth” to cope with market volatility.

On top of factors affecting the animal products supply, livestock products exports to third countries are facing a dwindling demand. Moreover, while on one hand the post-pandemic recovery of social interactions, Hotels, Restaurants, and Institutions (HRI) activity, and tourism has the potential to contribute to an increase in internal EU grain-based food consumption, consumer behavior to cope with inflation (**Map 3**) is preventing that expansion from materializing.

<sup>2</sup>Additional information regarding feed demand trends is available in the most recent [EU Livestock](#) and [Poultry](#) GAIN reports.

### Map 3. EU Harmonized Index of Food and Beverages Consumer Prices\*



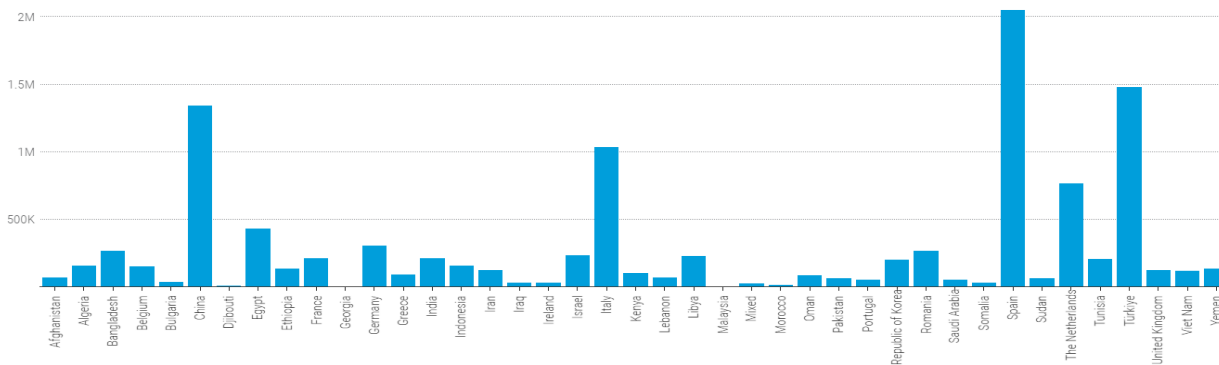
Source: [Eurostat](#). \*12-Month Average Rate of Change in Food & Non-Alc. Bev. (October 2022)

According to an [Eurostat study](#), in the context of the aftermath of Russia’s invasion of [Ukraine](#) that severely disrupted grain, energy, and agricultural inputs markets, bread has become more expensive than ever, registering a higher increase than the total harmonized consumer prices index. The change in bread prices varies across Member States. Some countries such Hungary, Lithuania, Estonia, and Slovakia stand out among the most affected, while in France and the Netherlands the price increase of bread has been milder.

Total Food, Seed, and Industrial (FSI) grain use in the EU is also projected down in MY 2022/23 compared to previous estimates, as EU grain-based industrial plants (including, but not limited to bioethanol plants<sup>3</sup>) across the EU reduced their activity in response to the gas prices hike.

The establishment of the [United Nations Safe Grain Trade Corridors](#) since the end of July 2022 (see [Policy](#) Section) continues to allow grains shipping companies to transport grain out of [Ukraine](#). [Spain](#) stands out as the main destination of grains exported from [Ukraine](#) ([Graph 1](#)).

**Graph 1. Ukraine Safe Trade Corridor Destinations (Metric tons)**



Source: [Black Sea Grain Initiative](#) | [Vessel Movements](#) | [United Nations](#)

While the UN’s Black Sea Grain Initiative (see [Policy](#) Section) has come as a relief for grain end-users in grain-deficient EU Member States (namely [Spain](#), Portugal, Italy, the Netherlands),

<sup>3</sup> 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](#).

competitively priced imports from [Ukraine](#) are creating price volatility in net exporting EU neighboring Member States (Poland, Slovakia, and Hungary) and EU Black Sea Region Member States (Romania and [Bulgaria](#)). Ukrainian supplies, combined with the surge in corn imports from [Brazil](#), have contributed to alleviate the tension of the EU’s grain balance.

Despite the shorter crop, EU total grain exports in MY 2022/23 are anticipated to remain strong, only marginally down compared to last season levels. While corn export projections have virtually halved in MY 2022/23 compared to the previous season, wheat (and barley to a much lower extent) exports to the North Africa and Middle East Countries have expanded, filling the gap in supply that Russia’s war in [Ukraine](#) has provoked in this region.

Farmer’s retention of grains in expectation of higher prices, combined with the large volume of imports of Brazilian corn during the summer months, have resulted in high ending stocks in MY 2021/22. For MY 2022/23, ending stocks are anticipated to return to more average levels considering the shorter EU grain crop and the steady pace of EU grain exports.

Early estimates for MY 2023/24 indicate that EU farmers may expand their winter grain plantings. Sowing in the EU were done under favorable weather conditions, but more rain is necessary in the winter to replenish underground water resources, especially in the EU’s southwest. Even with support for fertilizers, (see Policy Section) faltering commodity prices also increase the risk that farmers may reduce fertilization in the fall-winter season 2022/2023, which could have a negative impact in MY 2023/24 yields.

## Section I. Wheat

**Table 2. Production, Supply and Distribution - Wheat**

Wheat	2020/2021		2021/2022		2022/2023	
	Jul 2020		Jul 2021		Jul 2022	
Market Year Begins						
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
<b>Area Harvested</b> (1000 HA)	22,972	21,850	24,245	24,260	24,250	24,300
<b>Beginning Stocks</b> (1000 MT)	13,110	13,110	10,690	11,450	13,431	13,570
<b>Production</b> (1000 MT)	126,691	126,670	138,289	138,210	134,300	134,830
<b>MY Imports</b> (1000 MT)	5,379	5,391	4,606	4,612	6,000	5,600
<b>TY Imports</b> (1000 MT)	5,379	5,391	4,606	4,612	6,000	5,600
<b>TY Imp. from U.S.</b> (1000 MT)	657	657	257	256		
<b>Total Supply</b> (1000 MT)	145,180	145,171	153,585	154,272	153,731	154,000
<b>MY Exports</b> (1000 MT)	29,740	29,736	31,904	31,915	35,000	33,700
<b>TY Exports</b> (1000 MT)	29,740	29,736	31,904	31,915	35,000	33,700
<b>Feed and Residual</b> (1000 MT)	42,500	41,415	45,000	45,297	45,500	44,600
<b>FSI Consumption</b> (1000 MT)	62,250	62,570	63,250	63,490	63,750	63,200
<b>Total Consumption</b> (1000 MT)	104,750	103,985	108,250	108,787	109,250	107,800
<b>Ending Stocks</b> (1000 MT)	10,690	11,450	13,431	13,570	9,481	12,500
<b>Total Distribution</b> (1000 MT)	145,180	145,171	153,585	154,272	153,731	154,000
<b>Yield</b> (MT/HA)	5.515	5.8698	5.7038	5.697	5.5381	5.5486

(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 2022/2023 = July 2022 - June 2023

Source: FAS EU Posts.

EU wheat area in MY 2022/23 has been slightly adjusted upwards compared to previous estimates due to higher than anticipated plantings, notably in Poland, [Spain](#), and Italy. EU wheat crop is also revised up and it is now projected to reach 134.8 MMT, but still down from MY 2021/22 levels. Production exceeded July forecasts in most western European countries such as France, Belgium, Germany as well as Poland and [Bulgaria](#). However, the drought and heatwaves that hit most of Europe in the summer of 2022 took a toll on wheat yields, which were generally below average, and the harvest started several weeks early. Yield variation was also significant, between regions with superficial soils where the wheat yields were much lower, and regions with deeper soils, where moisture prevented yield losses. The crop nevertheless benefited from spare rainfall in the spring and early summer.

The quality of the wheat crop is reportedly generally good in most European wheat producing countries. The high temperatures in July and August did not have a significant impact on the specific weight while protein levels are on par or slightly below the average.

EU wheat feed uses are expected to decline in MY 2022/23 given the overall feed production decline, along with the increased competitiveness of corn and barley in the feed formula. In most of the EU, farmers are lowering feed purchases to reduce their operating costs. Additionally, many are decapitalizing their cattle and pork herd as consumption of meat and dairy product is sluggish due to high inflation. In the Netherlands and Belgium, stringent environmental regulations are also responsible for lower animal production. Even poultry production is down in most EU Member States because of Highly Pathogenic Avian Influenza (HPAI) outbreaks.

The smaller EU corn crop should lead to higher wheat imports in MY 2022/23. Ukraine will be a major supplier of wheat to the EU along with the [United Kingdom](#), which had a sizeable crop. Imports from Ukraine will be by road or train to neighboring countries such as Poland, Romania, and Hungary as well as by vessels to [Spain](#). [Ukraine](#) wheat exports to [Spain](#), mainly intended for the feed market, are dependent on the continuation of the UN's Black Sea Grain Initiative agreement in place (see [Policy](#) Section). Italy is projected to purchase more durum wheat from [Canada](#) as the Canadian durum crop in MY 2022/23 went back to normal volumes.

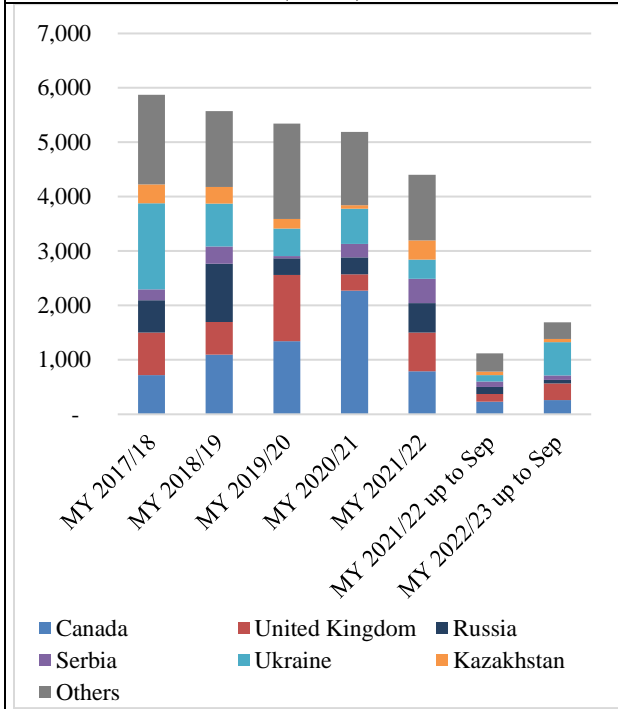
Despite a lower crop, EU wheat exports are anticipated to increase, benefiting from lower competition from Black Sea Origin wheat (Ukraine and Russia), in addition to potentially lower competition due to smaller crops in [Argentina](#) and [Australia](#). EU wheat prices have recently decreased, making it more competitive in North Africa and Asia, a trend enhanced by the weakness of the Euro. There are persistent rumors that [China](#) is considering purchasing a significant amount of French wheat (well above the 2.2 MMT already purchased in MY 2021/22). Some market analysts even fear that France may lack physical wheat stocks available for exports in the second half of MY 2022/23 if the pace of export contracts continue at the level of the first half of the marketing year. France exported a record volume of wheat in the Q1 of MY 2022/23 (July-September). Poland is also expected to sharply increase its MY 2022/23 exports supported by the weakness of the Polish Zloty. Wheat exports from Baltic States are also expected to grow.

EU FSI wheat uses are expected to decline slightly in MY 2022/23, both in the milling sector, the starch sector, and the biofuel sector. High energy prices are negatively impacting the industries' margins and consumption is driven down by inflation.

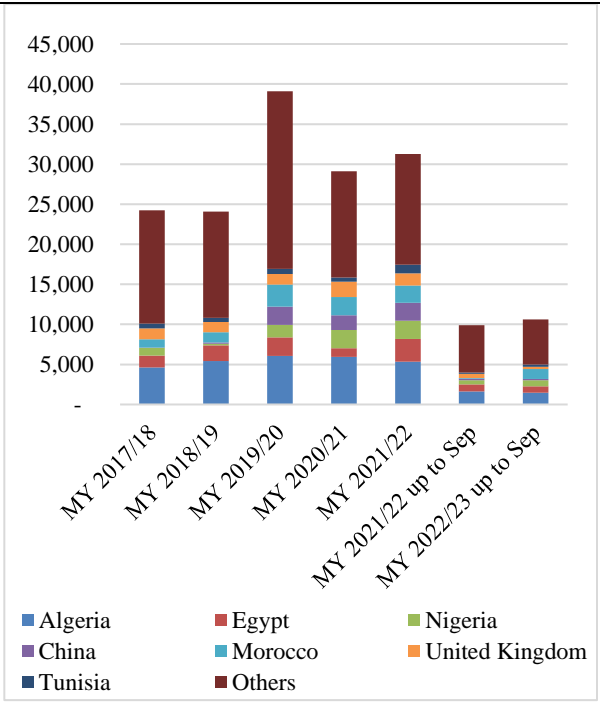
Wheat ending stocks are expected to increase over Post previous estimates, but are projected to remain below MY 2021/22 levels.



**Graph 2. Main Wheat Suppliers to the EU (TMT)**



**Graph 3. Main EU Wheat Destinations (TMT)**



Source: FAS Madrid based on Trade Data Monitor, LLC data.

## Section II. Coarse Grains<sup>4</sup>

### Corn

**Table 3. Production, Supply and Distribution - Corn**

Corn Market Year Begins	2020/2021		2021/2022		2022/2023	
	Oct 2020		Oct 2021		Oct 2022	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
<b>Area Harvested</b> (1000 HA)	9,241	9,240	9,235	9,260	8,835	9,000
<b>Beginning Stocks</b> (1000 MT)	7,382	7,382	7,880	8,058	9,959	10,918
<b>Production</b> (1000 MT)	67,440	67,450	70,979	71,000	54,800	53,500
<b>MY Imports</b> (1000 MT)	14,493	14,496	20,000	19,700	20,000	21,000
<b>TY Imports</b> (1000 MT)	14,493	14,496	20,000	19,700	20,000	21,000
<b>TY Imp. from U.S.</b> (1000 MT)	3	6	747	750		
<b>Total Supply</b> (1000 MT)	89,315	89,328	98,859	98,758	84,759	85,418
<b>MY Exports</b> (1000 MT)	3,735	3,740	6,000	6,000	2,700	3,400
<b>TY Exports</b> (1000 MT)	3,735	3,740	6,000	6,000	2,700	3,400
<b>Feed and Residual</b> (1000 MT)	57,200	57,000	62,300	61,000	55,500	54,500
<b>FSI Consumption</b> (1000 MT)	20,500	20,530	20,600	20,840	19,200	20,320
<b>Total Consumption</b> (1000 MT)	77,700	77,530	82,900	81,840	74,700	74,820
<b>Ending Stocks</b> (1000 MT)	7,880	8,058	9,959	10,918	7,359	7,198
<b>Total Distribution</b> (1000 MT)	89,315	89,328	98,859	98,758	84,759	85,418
<b>Yield</b> (MT/HA)	7.2979	7.2998	7.6859	7.6674	6.2026	5.9444

(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 2022/2023 = October 2022 - September 2023

Source: FAS EU Posts.

EU's corn production in MY 2022/23 is estimated to fall by 25 percent year-on-year to 53.5 MMT, based on lower planted area and drastically reduced yields. If confirmed, this would be the lowest level of production in 15 years. The persistent summer drought and long heat waves, following a dry spring, curbed corn yields by a larger extent than earlier anticipated. Except for Poland, which enjoyed favorable weather conditions and harvested a 16 percent higher crop, and a few other northern countries, all corn producers registered important crop damages.

The harvest declines in the two largest EU corn growers, France and Romania, account for more than half of the EU's year-on-year production loss. In Romania, where corn harvesting started two weeks earlier forced by shortened maturity, high temperatures and a rainfall deficit, trimmed production by 37 percent. In France, similar adverse weather conditions reduced the corn grain harvest by 32 percent as a significant share of the corn was harvested for silage due to lack of forage. Excessive heat and drought affected Hungary for the second consecutive year. Hungary's output is 51 percent below the previous season and 59 percent below the average for the last five years. Other Member States in which production fell by a third were Slovakia, Czech Republic, Croatia, Slovenia, and Italy. In Germany, the yields are anticipated to be 21 percent lower due to extreme heat in the flowering stage and the drought in the northwest and east of the country. A

<sup>4</sup> Coarse grains are the 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.

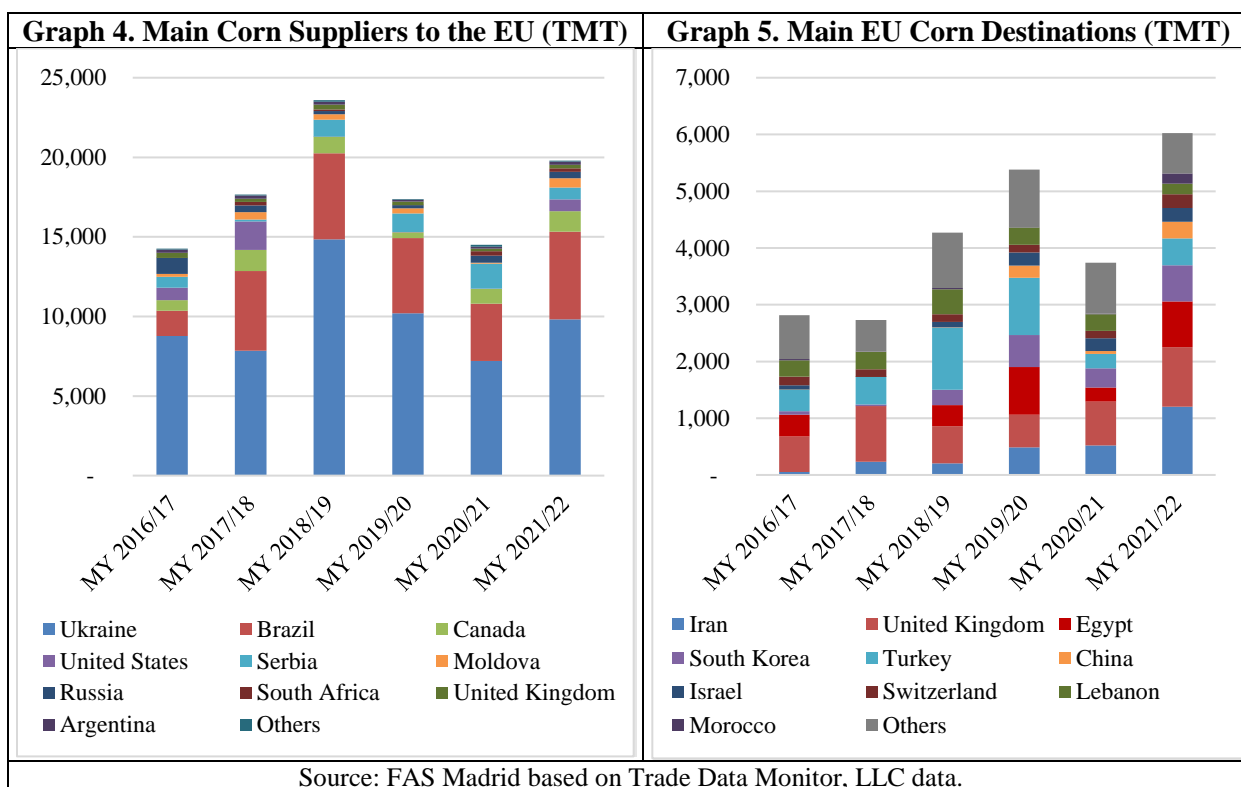
similar plunge in crop is projected in [Bulgaria](#). In [Spain](#), where corn yields are relatively stable due to irrigation, production was 16 percent lower due to the lower area and the high temperatures increasing irrigation needs. Conversely, the weather conditions were beneficial to the crop in northern Europe, leading to small production gains in Belgium, the Netherlands, Denmark, and Lithuania over the prior year.

Given the poor domestic EU corn crop, MY 2022/23 imports have been revised further up to compensate for the large supply gap created by productivity loss. Considering its competitiveness against other origins, [Ukraine](#) will likely maintain its position as the leading EU corn supplier in MY 2022/23. The river, road, and railway routes created in Romania, Poland, and more recently in Hungary, are anticipated to strengthen their role in delivering Ukrainian corn on the EU market at a constant pace. Although under the threat of disruption, the safe corridors opened under the Black Sea Grain Initiative (See [Policy](#) Section) support EU corn procurement. The EU will count also on steady supplies from other large world producers such as [Brazil](#), United States, and [Canada](#), and to a lesser extent, from [Serbia](#) and Moldova. Considering the EU's limited exportable supply, mainly due to crop failures in the largest EU producers, corn exports are forecast to fall by 42 percent in MY 2022/23.

Total corn consumption is predicted to contract by 8.6 percent in MY 2022/23, primarily driven by the projected reduction in feed demand in nearly all EU Member States. In the Nordic Member States, corn feed utilization is forecast lower due to utilization of alternative grains readily available. Conversely, France, Romania, Germany, Austria, Hungary, Austria, the Netherlands, and Portugal expect declines in feed demand for corn as compared to the previous season, given the overall feed production levels. A variety of reasons are cited for this reduction, among which the most common are corn prices, the soaring operational costs in animal sector, declining livestock numbers, and deteriorating consumer purchasing power. In contrast, corn incorporation in industrial feeds is projected to rise in [Spain](#) due to corn's competitiveness against other grains. Poland, Bulgaria, and Croatia expect no significant year-on-year changes in their corn feed usage in MY 2022/23. On the demand side, corn food and industrial utilization is estimated to decrease slightly, because of the lower availability of feedstock and the energy-cost related narrowing margins in bioethanol production.

In MY 2021/22, imports surged by 5 MMT as compared to the previous season. Despite geopolitical tensions and unpredictable supply chains, more than half of the imported amount was sourced from [Ukraine](#). Brazil, with its sizeable crop, accounted for a fourth of EU corn imports, with the balance covered by volumes from other notable world corn producers, the United States and [Canada](#). MY 2021/22 exports rose by 60 percent to 6 MMT due to the abundant crops in the major EU exporting countries and the global demand. MY 2021/22 feed use was revised up due to the ample domestic crop and corn's competitiveness against other grains. The plentiful supply and processing capacity expansion, particularly in Hungary and [Bulgaria](#), led also to an increase in MY 2021/22's corn food utilization.

Ending stocks are set to rebound in MY 2021/22 based on improved imports from [Ukraine](#) and South America and forecast to tighten up in MY 2022/23 due to the drastically lower domestic crop.



## Barley

**Table 4. Production, Supply and Distribution - Barley**

Barley	2020/2021		2021/2022		2022/2023	
	Jul 2020		Jul 2021		Jul 2022	
Market Year Begins	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	11,050	11,017	10,313	10,268	10,500	10,383
Beginning Stocks (1000 MT)	5,205	5,205	5,010	5,043	5,266	5,295
Production (1000 MT)	54,234	54,667	52,046	52,092	51,300	52,238
MY Imports (1000 MT)	1,220	1,220	991	991	1,100	1,250
TY Imports (1000 MT)	1,150	1,150	1,225	1,225	1,100	1,250
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	60,659	61,092	58,047	58,126	57,666	58,783
MY Exports (1000 MT)	7,399	7,399	7,331	7,331	6,300	7,350
TY Exports (1000 MT)	8,558	8,558	6,300	6,300	6,300	7,350
Feed and Residual (1000 MT)	35,700	36,200	32,800	32,900	33,400	33,400
FSI Consumption (1000 MT)	12,550	12,450	12,650	12,600	12,700	12,700
Total Consumption (1000 MT)	48,250	48,650	45,450	45,500	46,100	46,100
Ending Stocks (1000 MT)	5,010	5,043	5,266	5,295	5,266	5,333
Total Distribution (1000 MT)	60,659	61,092	58,047	58,126	57,666	58,783
Yield (MT/HA)	4.9081	4.9621	5.0466	5.0732	4.8857	5.0311

(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 2022/2023 = October 2022 - September 2023

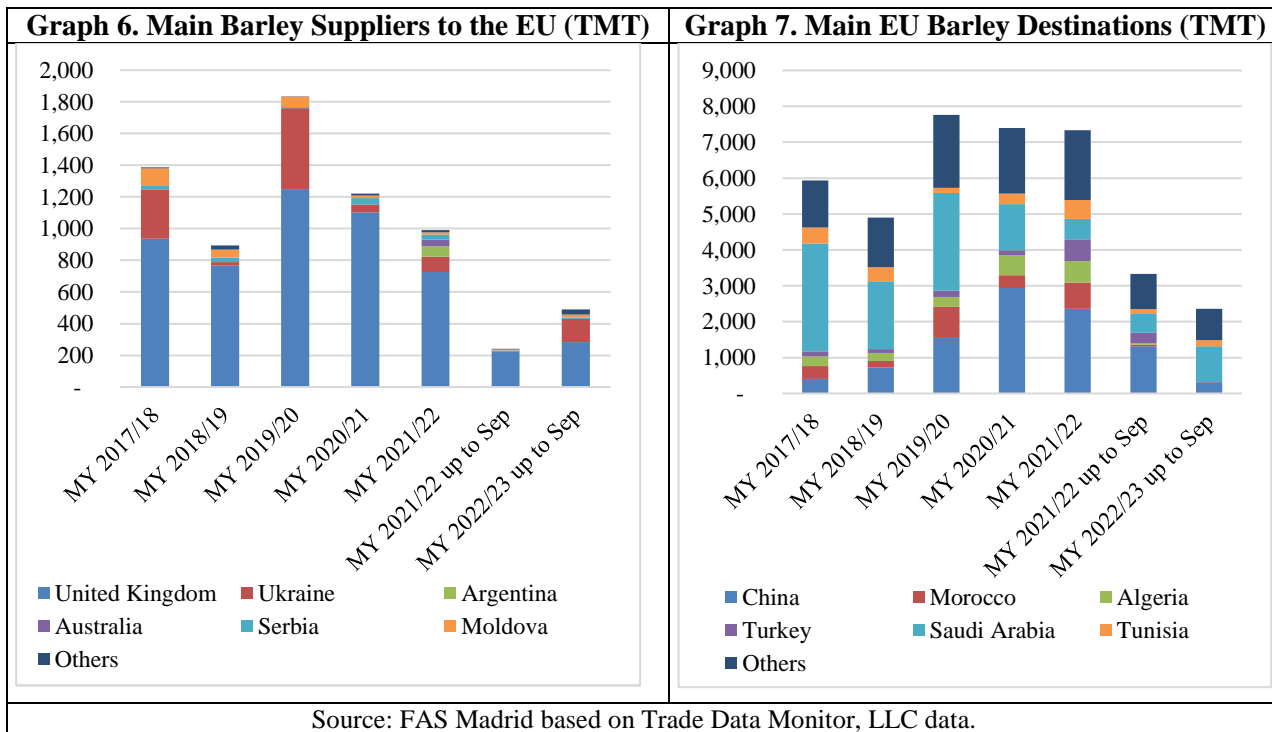
Source: FAS EU Posts.

Even though hot temperatures and dry weather had a significant toll on barley production in [Spain](#), Romania, Hungary and [Bulgaria](#), the smaller impact in France, where most of the barley was harvested before the peak of the heatwave, the higher yields in Germany, the Benelux, Nordic Countries and Baltic States offset the losses in drought-affected Member States. Based on a moderate growth in the EU's barley area, and on increased yields in the northern Member States, production is revised up to 52.2 MMT for MY 2022/23.

The improved barley supplies in Germany, the Benelux, Nordic and Baltic countries, the pressure on barley prices resulting from [Australia](#) and Russia's bumper crops, combined with the drastic fall in the EU's corn production, are expected to have an incentive effect on feed barley consumption. Therefore, barley use in feed is revised up to 33.4 MMT for MY 2022/23. At the same time, high energy costs, increasing inflation, the lower crop in [Spain](#), and animal disease outbreaks appear to impede further feed consumption expansion. On a positive note, a slight increase is anticipated in barley FSI uses as the brewing industry returns to its pre-pandemic levels.

In MY 2022/23, higher volumes of Ukrainian barley imports are expected over land routes to EU Member States such as Romania, partly with the purpose of transshipment, as well as to [Spain](#) to make up for the shorter domestic barley crop. The EU's other main supplier is the [United Kingdom](#). Since British barley production is estimated up for MY 2022/23, it allows moderately higher volumes to import than the previous year.

EU barley exports to third countries have been revised up compared to previous estimates. Higher volumes of barley are forecast now to be exported to the Middle East countries (Saudi Arabia, Iran, and Jordan), although lower sales are expected to [China](#) and [Turkey](#).



## Rye

**Table 5. Production, Supply and Distribution - Rye**

Rye Market Year Begins	2020/2021		2021/2022		2022/2023	
	Jul 2020		Jul 2021		Jul 2022	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
European Union						
<b>Area Harvested</b> (1000 HA)	2,081	2,080	1,927	1,930	1,870	1,800
<b>Beginning Stocks</b> (1000 MT)	590	590	739	526	685	623
<b>Production</b> (1000 MT)	8,968	8,968	7,948	8,000	7,615	7,670
<b>MY Imports</b> (1000 MT)	87	86	258	258	80	150
<b>TY Imports</b> (1000 MT)	131	130	230	170	80	150
<b>TY Imp. from U.S.</b> (1000 MT)	0	0	0	0		
<b>Total Supply</b> (1000 MT)	9,645	9,644	8,945	8,784	8,380	8,443
<b>MY Exports</b> (1000 MT)	156	156	160	159	150	110
<b>TY Exports</b> (1000 MT)	95	100	210	4,860	150	150
<b>Feed and Residual</b> (1000 MT)	5,450	5,450	4,950	4,860	4,700	4,660
<b>FSI Consumption</b> (1000 MT)	3,300	3,512	3,150	3,142	3,150	3,130
<b>Total Consumption</b> (1000 MT)	8,750	8,962	8,100	8,002	7,850	7,790
<b>Ending Stocks</b> (1000 MT)	739	526	685	623	380	543
<b>Total Distribution</b> (1000 MT)	9,645	9,644	8,945	8,784	8,380	8,443
<b>Yield</b> (MT/HA)	4.3095	4.3115	4.1245	4.1451	4.0722	4.2611

(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 2022/2023 = October 2022 - September 2023

Source: FAS EU Posts.

## Oats

**Table 6. Production, Supply and Distribution - Oats**

Oats Market Year Begins	2020/2021		2021/2022		2022/2023	
	Jul 2020		Jul 2021		Jul 2022	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
European Union						
<b>Area Harvested</b> (1000 HA)	2,563	2,563	2,555	2,560	2,470	2,400
<b>Beginning Stocks</b> (1000 MT)	332	332	540	474	360	366
<b>Production</b> (1000 MT)	8,473	8,473	7,528	7,550	7,775	7,370
<b>MY Imports</b> (1000 MT)	49	49	155	155	120	60
<b>TY Imports</b> (1000 MT)	33	33	200	140	80	40
<b>TY Imp. from U.S.</b> (1000 MT)	9	9	1	0		
<b>Total Supply</b> (1000 MT)	8,854	8,854	8,223	8,179	8,255	7,796
<b>MY Exports</b> (1000 MT)	139	140	213	213	110	110
<b>TY Exports</b> (1000 MT)	145	140	190	200	110	110
<b>Feed and Residual</b> (1000 MT)	6,750	6,800	6,200	6,140	6,375	5,980
<b>FSI Consumption</b> (1000 MT)	1,425	1,440	1,450	1,460	1,440	1,460
<b>Total Consumption</b> (1000 MT)	8,175	8,240	7,650	7,600	7,815	7,440
<b>Ending Stocks</b> (1000 MT)	540	474	360	366	330	246
<b>Total Distribution</b> (1000 MT)	8,854	8,854	8,223	8,179	8,255	7,796
<b>Yield</b> (MT/HA)	3.3059	3.3059	2.9464	2.9492	3.1478	3.0708

(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 2022/2023 = October 2022 - September 2023

Source: FAS EU Posts.

## Mixed Grains<sup>5</sup>

**Table 7. Production, Supply and Distribution – Mixed Grains**

Mixed Grain	2020/2021		2021/2022		2022/2023	
	Jul 2020		Jul 2021		Jul 2022	
Market Year Begins						
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
<b>Area Harvested</b> (1000 HA)	3,641	3,629	3,591	3,580	3,600	3,200
<b>Beginning Stocks</b> (1000 MT)	592	592	434	684	497	819
<b>Production</b> (1000 MT)	15,342	15,258	15,083	15,100	14,500	13,750
<b>MY Imports</b> (1000 MT)						
<b>TY Imports</b> (1000 MT)						
<b>TY Imp. from U.S.</b> (1000 MT)						
<b>Total Supply</b> (1000 MT)	15,934	15,850	15,517	15,784	14,997	14,569
<b>MY Exports</b> (1000 MT)						
<b>TY Exports</b> (1000 MT)						
<b>Feed and Residual</b> (1000 MT)	13,800	13,500	13,270	13,300	12,900	12,800
<b>FSI Consumption</b> (1000 MT)	1,700	1,666	1,750	1,665	1,600	1,470
<b>Total Consumption</b> (1000 MT)	15,500	15,166	15,020	14,965	14,500	14,270
<b>Ending Stocks</b> (1000 MT)	434	684	497	819	497	299
<b>Total Distribution</b> (1000 MT)	15,934	15,850	15,517	15,784	14,997	14,569
<b>Yield</b> (MT/HA)	4.2137	4.2045	4.2002	4.2179	4.0278	4.2969

(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 2022/2023 = October 2022 - September 2023

Source: FAS EU Posts.

## Sorghum

**Table 8. Production, Supply and Distribution – Sorghum**

Sorghum	2020/2021		2021/2022		2022/2023	
	Jul 2020		Jul 2021		Jul 2022	
Market Year Begins						
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
<b>Area Harvested</b> (1000 HA)	192	195	150	154	140	140
<b>Beginning Stocks</b> (1000 MT)	54	54	21	31	18	28
<b>Production</b> (1000 MT)	1001	1011	823	820	675	616
<b>MY Imports</b> (1000 MT)	18	18	161	161	100	92
<b>TY Imports</b> (1000 MT)	13	13	170	167	100	94
<b>TY Imp. from U.S.</b> (1000 MT)	2	3	120	120		
<b>Total Supply</b> (1000 MT)	1073	1083	1005	1012	793	736
<b>MY Exports</b> (1000 MT)	19	19	16	16	10	10
<b>TY Exports</b> (1000 MT)	19	19	19	17	10	10
<b>Feed and Residual</b> (1000 MT)	1010	1010	950	945	740	683
<b>FSI Consumption</b> (1000 MT)	23	23	21	23	23	23
<b>Total Consumption</b> (1000 MT)	1033	1033	971	968	763	706
<b>Ending Stocks</b> (1000 MT)	21	31	18	28	20	20
<b>Total Distribution</b> (1000 MT)	1073	1083	1005	1012	793	736
<b>Yield</b> (MT/HA)	5.2135	5.1846	5.4867	5.3247	4.8214	4.4

(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 2022/2023 = October 2022 - September 2023

Source: FAS EU Posts.

<sup>5</sup> Figures for EU mixed grain include triticale, and the threshed, dry seeds of wheat, barley, corn, oats, rye, and sorghum grown and harvested on the same field.

In MY 2021/22, the EU imported 160,000 MT of sorghum imports, with [Spain](#) as a leading destination. Trade data available through September 2022 show a significant recovery of [Ukraine](#) sorghum sales to the EU, which in three months alone amounted to 7,700 MT. Trade sources estimate that, provided the price differential with corn narrows, sorghum imports to the EU could contribute to make up for the lower EU grain crop in MY 2022/23. However, dry summer conditions that forced U.S. sorghum production down could prevent U.S. exports to the EU from expanding in MY 2022/23.

### Section III. Rice

**Table 9. Production, Supply and Distribution – Rice**

Rice, Milled Market Year Begins	2020/2021		2021/2022		2022/2023	
	Sep 2020		Sep 2021		Sep 2022	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
<b>Area Harvested</b> (1000 HA)	419	419	403	403	357	331
<b>Beginning Stocks</b> (1000 MT)	917	917	682	682	921	975
<b>Milled Production</b> (1000 MT)	1,826	1,826	1,714	1,723	1,348	1,285
<b>Rough Production</b> (1000 MT)	2,824	2,823	2,633	2,653	2,105	2,035
<b>Milling Rate (.9999)</b> (1000 MT)	6,466	6,468	6,510	6,495	6,404	6,315
<b>MY Imports</b> (1000 MT)	1,784	1,784	2,438	2,434	2,500	2,500
<b>TY Imports</b> (1000 MT)	1,862	1,862	2,400	2,400	2,500	2,500
<b>TY Imp. from U.S.</b> (1000 MT)	23	23	0	0		
<b>Total Supply</b> (1000 MT)	4,527	4,527	4,834	4,839	4,769	4,760
<b>MY Exports</b> (1000 MT)	445	445	413	414	420	400
<b>TY Exports</b> (1000 MT)	413	413	440	440	420	400
<b>Consumption and Residual</b> (1000 MT)	3,400	3,400	3,500	3,450	3,550	3,460
<b>Ending Stocks</b> (1000 MT)	682	682	921	975	799	900
<b>Total Distribution</b> (1000 MT)	4,527	4,527	4,834	4,839	4,769	4,760
<b>Yield (Rough)</b> (MT/HA)	6.7399	6.7375	6.5335	6.5806	5.8964	6.1480

(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 2022/2023 = January 2023 - December 2023

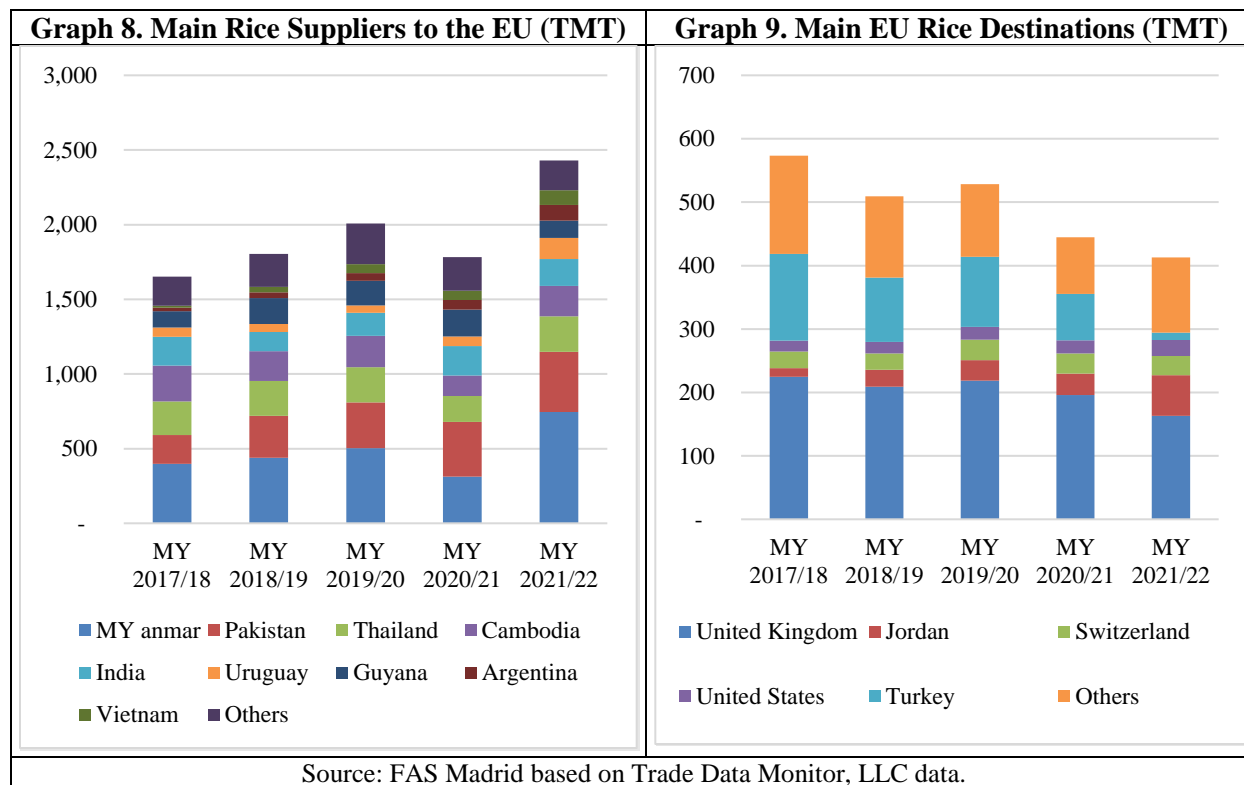
Source: FAS EU Posts.

EU rice area is concentrated in the southern Member States, namely Italy, [Spain](#), Portugal, Greece, France, [Bulgaria](#), Romania, and Hungary. In MY 2022/23, EU rice harvested area is projected to decline to 331 thousand Ha, mainly due to a severe drought in Italy and low irrigation water availability in [Spain](#) (Guadalquivir River basin). EU rice production is forecast to decrease to 1.3 million MT in MY 2022/23, mainly due to the lower yields in Italy and the reduced planted area in [Spain](#).

Despite the uncertainty surrounding the lingering economic impact of Russia's invasion of [Ukraine](#), EU rice imports (**Graph 8**) are projected to rise in MY 2022/23, driven by lower domestic availability and strong demand. Myanmar, Pakistan, Thailand, and [Cambodia](#) are expected to remain the EU's leading rice suppliers, 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). The recent European Court of Justice Ruling (see [Policy](#) Section) paves the way for further expansion of third countries' rice imports to the EU.



MY 2022/23 EU rice exports (**Graph 9**) and final stocks are expected to decrease given the lower domestic supply. The [United Kingdom](#) is the main non-EU rice export destination.



## Section IV. Policy<sup>6</sup>

### EU Rice Policy

Between January 2019 and January 2022, as a temporary measure to help protect EU farmers from competitively priced long grain rice, [Commission Implementing Regulation 2019/67](#) allowed the EU to impose safeguard measures to imports of Indica rice originating in Myanmar and [Cambodia](#). During this three-years’ timeframe, tariffs amounted to €175/MT, €150/MT and €125/MT in 2019, 2020, and 2021 respectively. Since January 2022, these duties have been reverted to zero. On November 9, the European Court of Justice (ECJ) issued a [ruling](#) cancelling the [Commission Implementing](#) regulation that allowed the EU to impose safeguard measures on imports from [Cambodia](#) and Myanmar.

### Black Sea Grain Initiative

The Initiative on the Safe Transportation of Grain and Foodstuffs from Ukrainian ports, also known as the Black Sea Grain Initiative, has been in place since July 2022. This initiative has allowed the safe export of grains out of [Ukraine](#) to third countries. While the initiative was originally intended to expire on November 19, a 120-day extension was granted on November 17, 2022.

<sup>6</sup> For additional information on EU Policy affecting grains, please consult the [Grain and Feed Annual 2022](#) EU GAIN Report.

## EU Fertilizers Plan

On November 9, 2022, the European Commission published a [Communication](#) on the availability and affordability of fertilizers in the EU. The aim of this long-awaited document is to propose solutions to address the significant price increases EU farmers are facing, which grew by 149 percent from September 2021 to September 2022 for nitrogen fertilizers. The Communication proposes using emergency funds from the CAP 2023 agricultural reserve to stabilize agricultural markets and to create a market observatory system for fertilizer prices.

### Related Reports

Title	Date
<a href="#">Bulgaria: Grain and Feed Market Update</a>	10/12/2022
<a href="#">EU Grain Summer Update 2022</a>	07/29/2022
<a href="#">Spanish Grain Supply Chain Shows Resilience in Challenging Times</a>	06/24/2022
<a href="#">EU - Grain and Feed Annual 2022</a>	04/26/2022

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Sabine Lieberz, FAS/Berlin covering Germany  
Andreja Misir, FAS/Zagreb covering Croatia  
Sophie Bolla, FAS/USEU/Brussels covering EU policy  
Yvan Polet, FAS/USEU/Brussels covering Belgium and Luxembourg  
Steve Knight, FAS/London covering Ireland

### Attachments:

No Attachments.