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# **Report Name:** Grain and Feed Update

**Country:** Colombia

**Post:** Bogota

**Report Category:** Grain and Feed

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**Report Highlights:**

In MY 2021/22, Colombian corn, rice, and wheat demand are forecast to recover as Colombia returns to pre-pandemic economic growth levels. In MY 2021/22, corn production is forecast to increase to 1.5 million MT driven by higher prices, while rice production is forecast to decrease to 1.8 million MT due to low domestic prices. Colombia's rice imports will be insignificant compared to past years, due to large domestic production in MY 2020/21 and low domestic prices that caused a 93 percent non-allocation of the U.S. rice tariff-rate quota in 2021. In MY 2020/21, U.S. market share of Colombian corn and wheat imports has been hurt by the strong U.S. dollar, high international prices, and increased competition.

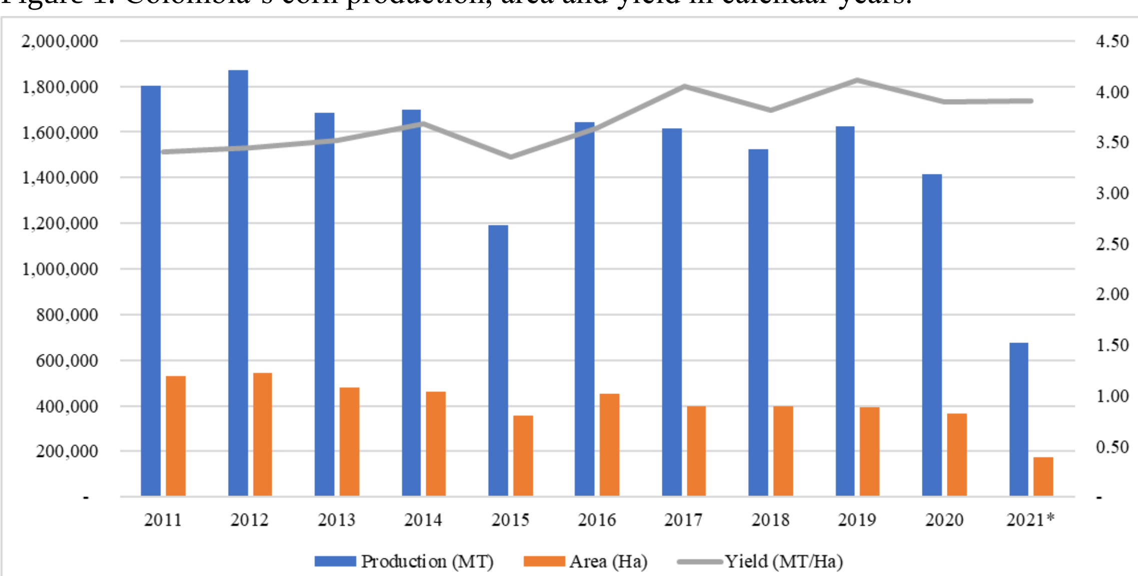
**Commodities:**
Corn

**Production:**
In MY 2021/22, Post’s revised Colombian corn production figure is forecast to increase 4.8 percent to 1.5 million MT based on a 4.0 percent increase in harvested area, assuming farmers will be motivated to increase production, driven by high local prices that depend on the imported corn price and exchange rate. The average local price of yellow corn has increased 42.8 percent, year-over-year, from $988,750 Colombian pesos (COP) per MT ($264/MT) in September 2020 to $1,412,200 per MT ($370/MT) in September 2021. Motivated by higher prices, and the agronomic advantage of rotating crops in the field, some rice farmers may decide to produce corn or soybean.

In MY 2020/21, Post’s revised Colombian corn production figure is estimated to slightly increase as a result of higher yields due to improvements in production practices and favorable weather conditions for corn in the first half of calendar year (CY) 2021. Area harvested remains almost unchanged from the previous year. In the first half of CY 2021, corn production increased 6.7 percent (from 634,607 MT in 2020 to 678,170 MT in 2021) due to a 4.7 percent growth in area planted, motivated by higher local corn prices. These increases in area and production offset the 15.4 percent year-over-year decline in production from the second half of 2020, which was a result of lower area harvested and bad weather conditions.

The steady corn production in recent years is the result of gradually improving yields due to advances in technology and substitution of traditional planting by modern crops (see graph below).

Figure 1. Colombia’s corn production, area and yield in calendar years.



*Note: * 2021 only includes figures for the first half of the calendar year.*
Source: National Federation of Cereal and Legume Producers (Fenalce).

Colombian corn production is represented by large scale, modern production, which includes medium and large industrial farms, and traditional production, which is comprised of small landholdings. Colombia's average corn yield is nearly 4.0 MT/Ha.

In CY 2020, Colombia planted 109,127 hectares of genetically engineered (GE) corn, the most ever planted in one year, and 23.6 percent more than the previous year. In August 2019, Colombia approved commercial plantings of the first domestically developed corn genotype containing the TC-1507 off-patent event. The planting of this seed is restricted to specific regions in Colombia.

**Consumption:**
In MY 2021/22, Post's revised corn consumption figure is 2.6 percent lower than the USDA's official forecast as consumption did not increase as expected in the previous marketing year. In MY 2021/22, corn consumption is forecast to reach 7.5 million MT, a 2.7 percent increase from the previous marketing year's new estimate. This forecast is driven by higher overall demand, primarily from the animal feed sector as poultry producers expect higher 2022 production levels in-line with higher demand resulting from Colombia's economic recovery. In the first half of CY 2021, Colombia's economy grew 8.8 percent. According to the World Bank, in CY 2021, the economy is projected to grow 7.7 percent and return to pre-pandemic economic growth levels at the end of CY 2021.

In MY 2020/21, Post's revised corn consumption figure is 2.0 percent lower than the USDA's official estimate driven by lower demand from the animal feed sector. According to poultry and pork producers, production costs have increased nearly 30 percent, which has negatively impacted production levels of animal protein. Production costs increased due to higher commodity prices (corn represents nearly 60 percent of the animal feed formulation), a strong U.S. dollar, and higher transportation costs. However, average consumer prices have also increased nearly 25 percent, driven by demand recovery which has offset the rise in production costs. In addition, the 45-day national protest (see GAIN Report: Colombia's Agricultural Sector Severely Affected After One Month of Protests), which spanned April-June 2021, disrupted supply chains and negatively affected the poultry and pork sectors.

Before the COVID-19 pandemic outbreak, corn for food and industrial use gradually increased each year. However, in MY 2020/21 corn for food and industrial use consumption decreased slightly from the previous marketing year as a result of reduced demand from lower incomes. In MY 2021/22, corn for food and industrial use is forecast to recuperate 3.4 percent driven by economic growth.

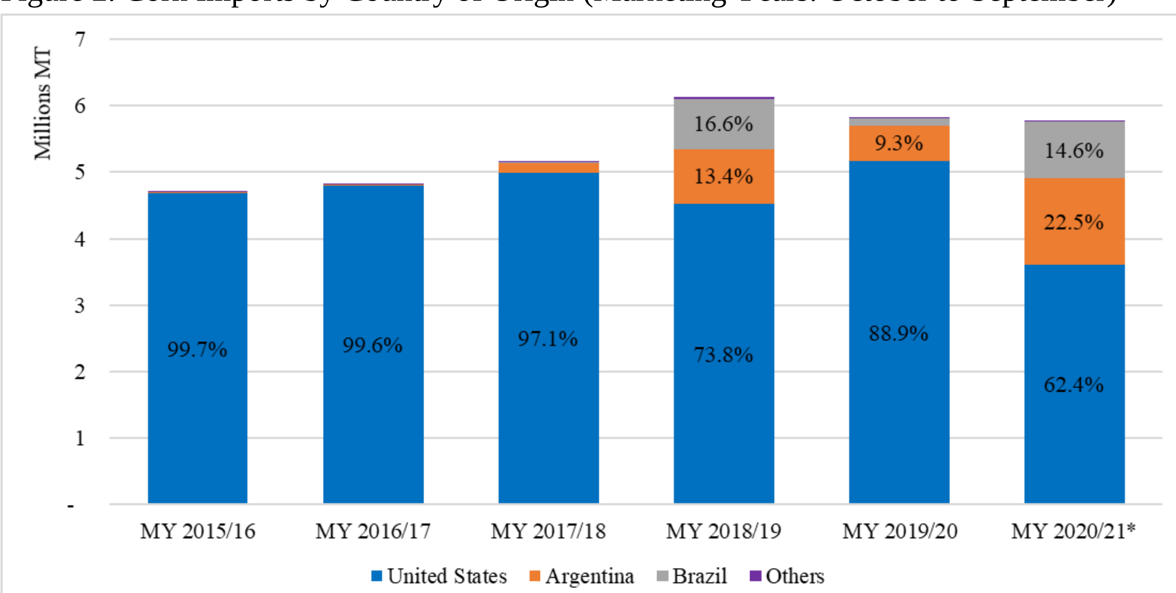
**Trade:**
In MY 2021/22, Post's revised total corn imports are down by 3.2 percent from the USDA's official forecast to 6 million MT, with U.S. corn accounting for 75 percent of imports (4.5 million MT). In MY 2021/22, U.S. corn market share is expected to recover after strong competition from competitively-priced South American imports, which receive preferential treatment granted to Mercosur countries (Argentina and Brazil) under the Andean Price Band System (APBS).

In MY 2020/21, Post's revised corn import figure decreased slightly to 5.9 million MT driven by lower demand from the animal feed industry due to increasing production costs. Based on available trade data, in MY 2020/21, U.S. corn market share is expected to decrease to 62.4 percent, while Argentine corn market share and Brazilian corn market share is expected to reach 22.5 and 14.6 percent, respectively. This shift is explained by competitive prices and the preferential treatment granted to Mercosur countries under the APBS, as Colombian grain importers are primarily motivated by prices. With high global commodity prices, the APBS mechanism has established zero duties for imports from trading partners where the price band mechanism applies, such as Mercosur.

In the last quarter of CY 2021, Hurricane Ida's impact on grain infrastructure and grain barges in the Port of New Orleans and Mississippi River Grain Corridor has also affected U.S. corn exports to Colombia.

The graph below illustrates the changes in market share over the past several marketing years:

Figure 2. Corn Imports by Country of Origin (Marketing Years: October to September)



*Note: * MY 2020/21 is an estimate based on available trade data (October 2020 to July 2021) and information provided by a maritime agent on imports from August and September 2021.*
Source: Colombian Customs Authority (DIAN) – Trade Data Monitor.

In CY 2021, U.S. corn has benefitted from zero duties within quota (3,257,789 MT for yellow corn and 211,756 MT for white corn), and under the U.S.-Colombia Trade Promotion Agreement (CTPA) preferential treatment via the application of Article 48 of Decree 730 of 2012. This article specifies that in the event that a lower tariff has been established for any product within the framework of a trade agreement signed by Colombia with another country after February 27, 2006, that lower tariff will be applied to imports from the United States. In this case, the Canada Trade Agreement duty applies which is currently zero. Canada is also subject to the APBS.

**Stocks:**
In MY 2021/22, corn ending stocks are forecast at 307,000 MT, which would satisfy 15 days of domestic consumption. The Colombian government does not have a policy for holding grain inventories, and the industry maintains limited stocks given the high costs of storage. Colombian grain importers are making purchasing decisions based on short-term necessity, given current high international prices and weak Colombian peso against US dollar. In addition, there is less pressure to access the CTPA in-quota duty for corn. In MY 2020/21, ending stocks are estimated at 287,000 MT as a result of demand recovery in 2021.

**Policy:**
The most recent government initiative that targets corn is called "Soya Maíz: Proyecto País" which was launched in March 2021 and is part of the national strategy to facilitate corn production: *"Maíz para Colombia: Visión 2030,"* developed by the International Maize and Wheat Improvement Center (CIMMYT) and the International Center for Tropical Agriculture (CIAT) in 2019. The initiative's goal is to increase Colombian corn and soybean productivity, substitute imports, and improve trade relationships between producers and industry. Unlike other past programs, the implementation of this initiative will involve the finance sector.

As a member of the Andean Community of Nations (CAN), Colombia applies the APBS that serves as a price stabilization tool for a special group of agricultural products considered sensitive in the CAN economies, including corn. The CTPA excludes the application of the APBS mechanism to U.S. imports and instead applies a TRQ mechanism with out-of-quota duties.

The APBS price stabilization occurs when the international reference price falls below a set floor, and a tariff is increased. The base tariff is reduced when the reference price exceeds the set ceiling. The value in which the tariff is increased or reduced is called a "variable levy." Floor and ceiling prices are adjusted annually, according to a mathematical calculation, and in accordance with information sources and reference markets established in CAN Decision 371. Table 1 illustrates the annual floor and ceiling prices for corn, effective from April 2020 to March 2021, and from April 2021 to March 2022.

Table 1. CAN Floor and Ceiling Prices for Corn

| **April 2020 to March 2021** (USD per ton) | | | **April 2021 to March 2022** (USD per ton) | | |
|---|---|---|---|---|---|
| | Floor Price CIF | Ceiling Price CIF | | Floor Price CIF | Ceiling Price CIF |
| Yellow corn | $199 | $212 | Yellow corn | $196 | $209 |
| White corn | $230 | $242 | White corn | $232 | $245 |

Source: Resolution 2118/2019 and Resolution 2175/2020. CAN.

The reference price is the bi-weekly average of daily, weekly or monthly quotations observed in the referential markets (FOB Gulf based on the Chicago Board of Trade first position for corn). Such a reference price must be expressed in terms of CIF. Depending on how bi-weekly CIF reference prices of corn behave, the effective duties under the APBS for each period will be established. Current Mercosur duties are 0 percent for both yellow corn and white corn, since reference prices for the second part of October 2021 are $275 and $351, respectively. In CY2021, most of the bi-weekly CIF reference prices for yellow and white corn have exceeded the set ceiling prices which means zero duties have been in place for corn under the APBS.

**Corn: Production, Supply and Distribution**

| Corn | 2019/2020 | | 2020/2021 | | 2021/2022 | |
|---|---|---|---|---|---|---|
| Market Year Begins | Oct 2019 | | Oct 2020 | | Oct 2021 | |
| Colombia | USDA Official | New Post | USDA Official | New Post | USDA Official | New Post |
| **Area Harvested** | 373 | 373 | 385 | 375 | 375 | 390 |
| **Beginning Stocks** | 316 | 316 | 287 | 287 | 267 | 287 |
| **Production** | 1395 | 1395 | 1430 | 1450 | 1450 | 1520 |
| **MY Imports** | 5976 | 5976 | 6000 | 5850 | 6200 | 6000 |
| **TY Imports** | 5976 | 5976 | 6000 | 5850 | 6200 | 6000 |
| **TY Imp. from U.S.** | 5316 | 5316 | 0 | 3600 | 0 | 4500 |
| **Total Supply** | 7687 | 7687 | 7717 | 7587 | 7917 | 7807 |
| **MY Exports** | 0 | 0 | 0 | 0 | 0 | 0 |
| **TY Exports** | 0 | 0 | 0 | 0 | 0 | 0 |
| **Feed and Residual** | 5900 | 5900 | 6000 | 5850 | 6200 | 6000 |
| **FSI Consumption** | 1500 | 1500 | 1450 | 1450 | 1500 | 1500 |
| **Total Consumption** | 7400 | 7400 | 7450 | 7300 | 7700 | 7500 |
| **Ending Stocks** | 287 | 287 | 267 | 287 | 217 | 307 |
| **Total Distribution** | 7687 | 7687 | 7717 | 7587 | 7917 | 7807 |
| **Yield** | 3.74 | 3.74 | 3.71 | 3.87 | 3.87 | 3.89 |
| | | | | | | |

(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

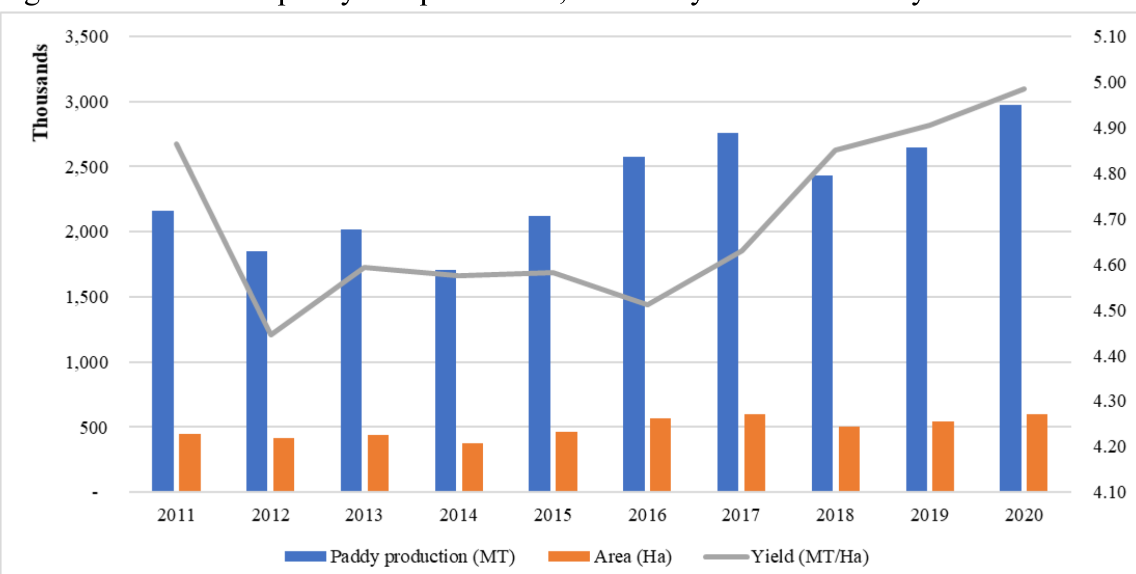
*Note: 'New Post' data reflects FAS/Bogota's assessment.*

**Commodities:**
Rice

**Production:**
In MY 2021/22, Post's revised Colombian rice production figure is forecast to decrease 10 percent from the previous marketing year to 1.8 million MT of milled rice equivalent (MRE) as a result of a 10.2 percent contraction in harvested area due to decreasing local prices. In September 2021, excessive rains and flooding in Colombia's north coast affected nearly 15,000 Ha of rice fields. This region accounts for approximately 5 percent of Colombia's total rice production. If weather conditions remain favorable for other rice producing regions, the estimated average yield will be 5.0 MT/Ha on a paddy rice basis. In addition, as corn and soybean prices have increased, some rice farmers may make planting decisions away from rice. For instance, in the first half of CY 2021, Colombian soybean production increased 25 percent (from 89,550 MT in 2020 to 111,595 MT in 2021) due to a 13 percent expansion in area planted.

In MY 2020/21, Post's revised Colombian milled rice production figure is estimated to reach 2.0 million MT as a result of increasing area planted and favorable weather conditions. The domestic price surge in the beginning of 2020, which was driven by a strong U.S. dollar, high international prices, and temporary higher demand due to COVID-19 panic-buying, motivated growers to expand area planted, primarily in the eastern plains or Llanos region. From January to September 2020, the average grower price of green paddy was $1,438,813 COP per MT ($389/MT), while the average grower price from the same period in 2021 is estimated at $986,480 COP ($267/MT), a 31 percent decrease, year-over-year. The graph below illustrates Colombia's paddy rice production and yields in the past several calendar years:

Figure 3. Colombia's paddy rice production, area and yield in calendar years.




Source: Colombian Rice Growers Federation (Fedearroz).

**Consumption:**

In MY 2021/22, Post's revised milled rice consumption figure is forecast to remain unchanged at nearly 2.0 million MT. Colombia's economic growth is expected to support a 5.4 percent increase, year-over-year, in rice demand in MY 2021/22. In June 2021, the Colombian Ministry of Agriculture launched a program to promote the consumption of brown rice for livestock and industrial use to reduce high local rice inventories before the peak harvest season (July to October). It is estimated that under this program less than 100,000 MT of brown rice (87,500 MT MRE) was consumed as Colombian animal feed producers usually do not use rice as an input for feed formulation.

In MY 2020/21, Post's revised milled rice consumption figure is 2.6 percent lower from USDA's official estimate as demand fell more than expected due to reduced household incomes resulting from the 2020 economic contraction from the COVID-19 pandemic. According to a food security study conducted by the Colombian Department of Statistics (DANE), in CY 2020 nearly 1 million households decreased food consumption from three meals per day to only two or one, which impacted food demand, primarily of rice, as it is one of the key basic staple foods that many Colombian households consume in every meal.

**Trade:**

In MY 2021/22, Post's revised Colombian rice imports are 71.4 percent lower compared to USDA's official forecast to 20,000 MT, based on available trade information and expectations that the current market conditions will be slow to change. Despite a lower local rice production forecast, large carry-over stocks combined with slow demand recovery, high international prices, and a strong U.S. dollar against the Colombian peso, will continue to reduce import demand in both the marketing year and trade year.  Imports are unlikely to happen in the coming months given current market conditions, but Post expects a recovery at the end of MY 2021/22.

In MY 2020/21, Post's revised Colombian rice imports figure is 131,000 MT, down 5.1 percent from the USDA's official estimate, due to increased local production that discouraged imports during the last half of 2020 and the beginning of 2021. Based on available trade data from January to July 2021, rice imports in trade year 2021 are estimated to significantly decrease to 14,000 MT, with U.S. rice accounting for 71.4 percent of total trade year imports.

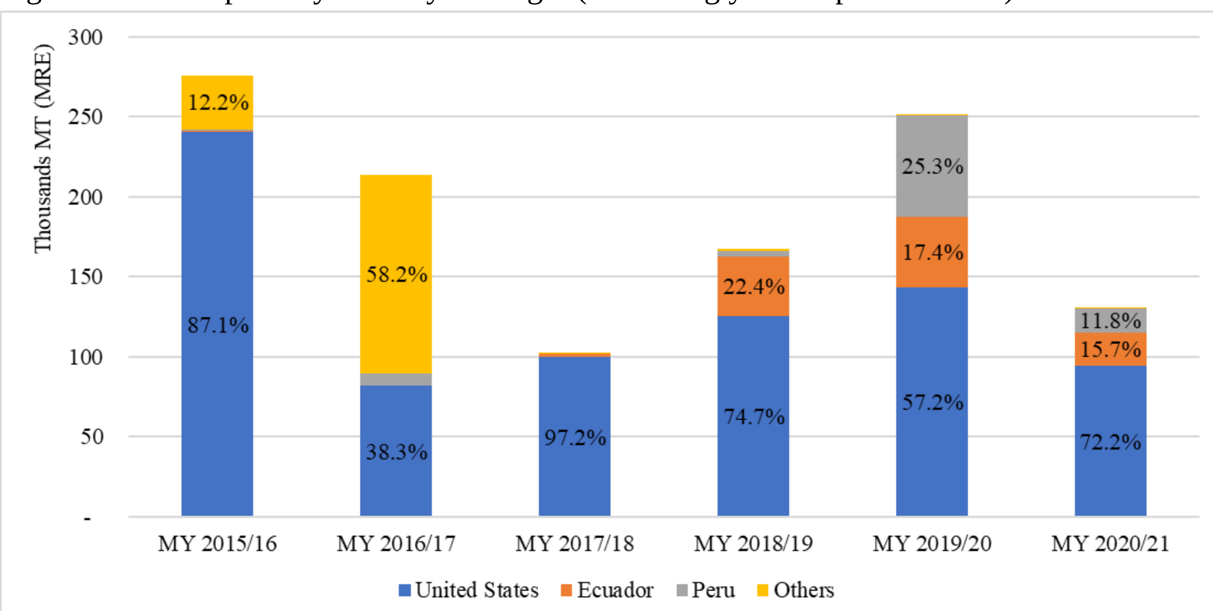
The Colombia Rice Export Quota (COL-RICE) TRQ auctions of 2021 were not fully subscribed, with the January, June, and October 2021 auctions resulting in more than 75,000 MT (92 percent), 16,000 MT (97 percent), and 17,777 MT (98 percent) of unawarded rice quota. This is the first year since the CTPA's implementation (2012) that the U.S. rice TRQ is not fully subscribed. The CTPA CY 2021 TRQ for U.S. rice is 117,402 MT. The out-of-quota duty is 55.4 percent. The primary reason for lower participation in the COL-RICE auctions is expanding

Colombian rice production, which has put downward pressure on domestic prices and made imports unattractive, especially given high international prices, a strong dollar, and increasing international freights.

CAN members (Colombia, Ecuador, Peru, and Bolivia) are assessed a zero-tariff. Colombia will progressively implement the elimination of restrictions on imports of milled rice from Ecuador and Peru. The CAN agreement has milled rice quotas at zero duty that will be unlimited for Peru, by 2022, and for Ecuador, by 2027. Rice imports outside of the CAN quotas are not allowed, and therefore there are no out-of-quota tariffs. Rice from these origins will only be allowed to enter Colombia from January 1 to June 30 and from November 15 to December 31 each calendar year. These import periods were established to protect Colombian producers during Colombia's harvest season, similar to what is established in the COL-RICE auctions schedule.

The graph below shows Colombian rice imports and market share by country in the past several marketing years.

Figure 4. Rice Imports by Country of Origin (Marketing years: April to March)




Source: Colombian Customs Authority (DIAN) – Trade Data Monitor.

Colombia does not export rice. However, there are milled rice trade flows into Venezuela via the common border, driven by the Venezuelan food shortage. Unofficial estimates indicate these milled rice trade flows into Venezuela are approximately 50,000 MT in MY 2020/21. Assuming that Venezuelan consumption at the common border persists, and lower domestic prices continue in Colombia, rice exports are forecast to reach 60,000 MT in MY 2021/22.

**Stocks:**

The Colombian government does not maintain a policy for holding grain stocks; however, primarily for rice, the Ministry of Agriculture and Rural Development offers financial storage incentives for producers and millers to hold inventories, on an ad hoc basis, in order to regulate market prices.  Revised ending stocks for MY 2020/21 are up 5.1 percent to 624,000 MT of milled rice, due to increasing production, lower demand, and road blockades from the national strike that restricted rice transportation from the producing regions to the consumption centers.

In MY 2021/22, ending stocks are forecast to decrease to 434,000 MT, assuming lower production and demand recovery. According to industry contacts, Colombia's rice storage capacity was almost full during the peak harvest season of CY 2021 causing some rice millers to install temporary storage facilities in "bag silos" as illustrated by the orange arrows in the satellite picture below (Figure 5).

Figure 5. Bag Silos Storage at One of the Largest Rice Mills in the Eastern Plains, September 2021.


Source: Satellite Imagery, USDA - Foreign Agricultural Service, Global Agricultural & Disaster Assessment System (GADAS)

**Policy:**
In CY 2021, the Colombian government's rice policies have been focused on reducing rice inventories and mitigating negative effects on prices. In August 2021, the Colombian Ministry of Agriculture issued a resolution to provide financial storage incentives for $50,000 million Colombian pesos (approx. $13 million), a 62.5 percent increase in funds from the previous year, considering the record seasonal production. In order to avoid price disputes between rice producers and rice millers, the resolution established reference prices to be paid to producers as a requirement to access the financial incentive. The resolution will be in effect until December 31, 2021, or until financial resources are allocated.

In June 2021, the Ministry of Agriculture issued a resolution to support the use of brown rice for livestock and industrial uses to reduce existing rice inventories in the country. This program gave a direct payment that corresponds to the price differential of using brown rice instead of corn as an animal feed input. Approximately $29,000 million COP (approx. $8 million) was allocated to this program.

**Rice: Production, Supply and Distribution**

| Rice, Milled | 2019/2020 | | 2020/2021 | | 2021/2022 | |
|---|---|---|---|---|---|---|
| Market Year Begins | Apr 2019 | | Apr 2020 | | Apr 2021 | |
| Colombia | USDA Official | New Post | USDA Official | New Post | USDA Official | New Post |
| Area Harvested | 520 | 520 | 595 | 590 | 550 | 530 |
| Beginning Stocks | 371 | 371 | 396 | 393 | 594 | 624 |
| Milled Production | 1750 | 1750 | 2010 | 2000 | 1800 | 1800 |
| Rough Production | 2574 | 2574 | 2956 | 2941 | 2647 | 2647 |
| Milling Rate (.9999) | 6800 | 6800 | 6800 | 6800 | 6800 | 6800 |
| MY Imports | 255 | 252 | 138 | 131 | 70 | 20 |
| TY Imports | 237 | 230 | 30 | 14 | 120 | 15 |
| TY Imp. from U.S. | 134 | 140 | 0 | 10 | 0 | 12 |
| Total Supply | 2376 | 2373 | 2544 | 2524 | 2464 | 2444 |
| MY Exports | 40 | 40 | 50 | 50 | 50 | 60 |
| TY Exports | 40 | 40 | 50 | 50 | 50 | 60 |
| Consumption and Residual | 1940 | 1940 | 1900 | 1850 | 1950 | 1950 |
| Ending Stocks | 396 | 393 | 594 | 624 | 464 | 434 |
| Total Distribution | 2376 | 2373 | 2544 | 2524 | 2464 | 2444 |
| Yield (Rough) | 4.95 | 4.95 | 4.97 | 4.98 | 4.81 | 4.99 |
| | | | | | | |

(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

*Note: 'New Post' data reflects FAS/Bogota's assessment.*

**Commodities:**
Wheat

**Production:**
In MY 2021/22, wheat production is forecast to remain unchanged from the previous year at 5,000 MT with an estimated area harvested of 2,500 Ha as weather conditions are expected to be normal in the two producing departments, Boyaca and Nariño.

**Consumption:**
In MY 2021/22, Post's revised wheat consumption figure is forecast to increase 1.5 percent from the previous marketing year in response to Colombia's economic recovery after the COVID-19 pandemic outbreak. The wheat consumption increase is driven by the food sector as animal feed demand will remain unchanged from the previous marketing year, due to high wheat prices.

In MY 2020/21, Post's revised wheat consumption figure is estimated to remain unchanged at 2.0 million MT of wheat grain equivalent (WGE). Wheat consumption trends will likely parallel population growth with demand gradually increasing each year; however, Colombia's economic contraction in 2020, due to the pandemic and high import costs, restricted consumption increases. Revised wheat feed consumption estimates remain unchanged at 100,000 MT given the animal feed industry did not grow as expected and preferred other more competitive inputs for feed formulation.

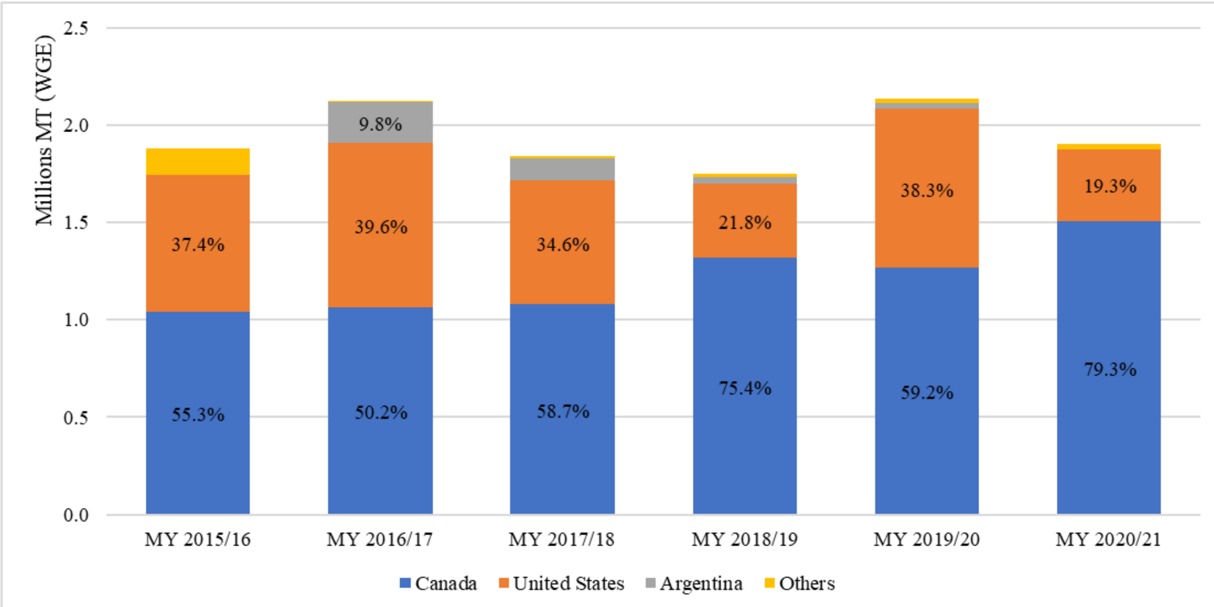
**Trade:**
The Colombian wheat milling industry is entirely supplied through imports. In MY 2021/22, revised wheat imports are down 2.5 percent from USDA's official forecast at 1.95 million MT. High international prices of wheat and a strong U.S. dollar limited demand from the wheat milling industry. U.S. wheat is expected to recuperate nearly 30 percent market share at 580,000 MT if Canadian wheat prices are impacted by crop reduction due to adverse weather conditions.

In MY 2020/21, total wheat imports are at 1.9 million MT based on available trade data. More affordable Canadian wheat negatively impacted U.S. wheat's market share in Colombia, which decreased to 19.3 percent. Road blockades from the 45-day national strike, which spanned April to June 2021, caused stuck shipments of wheat imports at Buenaventura port, the main entrance for imported wheat, and negatively impacted wheat millers. The disruptions created a bottle neck in the wheat supply chain that took several weeks to resolve.

There are approximately 60 importers of wheat; however, imports are concentrated (approximately 90 percent) among 25 importers. In MY 2020/21, about 98.5 percent of Colombian wheat imports are wheat grain, and the remaining 1.5 percent is pasta.

The chart below illustrates the changes in market share and import volumes by country over the past several years:

Figure 6. Wheat Imports by Country of (Marketing years: July to June)




Source: Colombian Customs Authority (DIAN) – Trade Data Monitor.

In MY 2021/22, Post's revised Colombian wheat exports figure is slightly lower from the previous forecast to 28,000 MT considering production constraints from the wheat milling industry due to high wheat prices. In MY 2020/21, wheat exports, primarily flour, are at 25,000 MT WGE based on available trade data. The main destination for Colombian wheat flour is Venezuela, which accounts for 87.7 percent total exports.

**Stocks:**

In MY 2021/22, revised ending stocks are forecast to decrease to 314,000 MT if consumption increases. Wheat importers are also making purchasing decisions based on short-term necessity, given current high international prices and strong US dollar against Colombian peso. The feed and wheat milling industries maintain limited carry-over inventories of grains given the high cost of storage.

**Policy:**

There are no government programs in place for wheat. Implementation of trade agreements with Canada and the United States have established favorable trade conditions with duty free wheat imports. Mercosur wheat is subject to the APBS mechanism. The APBS price stabilization system is explained in the policy section for corn. Table 2 illustrates the annual floor and ceiling prices for wheat, effective from April 1, 2021:

Table 2. CAN Floor and Ceiling Prices for Wheat

| **April 2021 to March 2022**<br>USD per ton | | |
|---|---|---|
| | Floor Price CIF | Ceiling Price CIF |
| Wheat | $247 | $265 |

Source: Resolutions 2175/2020. CAN.

The reference price is the bi-weekly average of daily, weekly, or monthly quotations observed in the referential markets (FOB Gulf based on the Kansas Board of Trade first position for wheat HRW). Such a reference price must be expressed in terms of CIF. The effective duties under the APBS for each period are established based on the bi-weekly CIF reference prices. Current Mercosur duties for wheat are zero as the reference price for the second part of October 2021 is $373/MT. Colombia currently has 15 trade agreements in force, most of which have zero duties for wheat.

In 2020, USDA awarded a Food for Progress program to be implemented in Colombia. The program successfully sold 69,100 MT of Hard Red Winter (HRW) wheat in two tranches, one tranche of 41,000 MT that sold in March 2021, and arrived in Colombia in July 2021, and the second tranche of 28,100 MT of HRW that sold in August 2021, and is expected to arrive in Colombia in mid-November.

**Wheat: Production, Supply and Distribution**

| Wheat | 2019/2020 | | 2020/2021 | | 2021/2022 | |
|---|---|---|---|---|---|---|
| Market Year Begins | Jul 2019 | | Jul 2020 | | Jul 2021 | |
| Colombia | USDA Official | New Post | USDA Official | New Post | USDA Official | New Post |
| Area Harvested | 3 | 3 | 3 | 3 | 3 | 3 |
| Beginning Stocks | 352 | 352 | 585 | 535 | 471 | 417 |
| Production | 6 | 6 | 5 | 5 | 5 | 5 |
| MY Imports | 2276 | 2276 | 1906 | 1902 | 2000 | 1950 |
| TY Imports | 2276 | 2276 | 1906 | 1902 | 2000 | 1950 |
| TY Imp. from U.S. | 857 | 857 | 412 | 367 | 0 | 580 |
| Total Supply | 2634 | 2634 | 2496 | 2442 | 2476 | 2372 |
| MY Exports | 24 | 24 | 25 | 25 | 30 | 28 |
| TY Exports | 24 | 24 | 25 | 25 | 30 | 28 |
| Feed and Residual | 175 | 175 | 100 | 100 | 125 | 100 |
| FSI Consumption | 1850 | 1900 | 1900 | 1900 | 1925 | 1930 |
| Total Consumption | 2025 | 2075 | 2000 | 2000 | 2050 | 2030 |
| Ending Stocks | 585 | 535 | 471 | 417 | 396 | 314 |
| Total Distribution | 2634 | 2634 | 2496 | 2442 | 2476 | 2372 |
| Yield | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| | | | | | | |
| (1000 HA), (1000 MT), (MT/HA)<br>MY = Marketing Year, begins with the month listed at the top of each column<br>TY = Trade Year, which for Wheat begins in July for all countries. TY 2021/2022 = July 2021 - June 2022 | | | | | | |

*Note: 'New Post' data reflects FAS/Bogota's assessment.*

**Attachments:**

No Attachments