

**Voluntary Report** – Voluntary - Public Distribution

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**Report Name:** Grain Situation Update

**Country:** Bosnia and Herzegovina

**Post:** Sarajevo

**Report Category:** Grain and Feed

**Prepared By:** Sanela Stanojcic

**Approved By:** Frederick Giles

**Report Highlights:**

The spring planting in Bosnia and Herzegovina (BiH) is ongoing and the weather and soil conditions are reportedly good. Farmers will plant 2020/2021 corn on approximately 210,000 hectares (ha) versus the 191,840 ha in 2019/2020. That is a ten percent increase due to government efforts to increase planting as a response to the COVID-19 situation. An expected corn production is approximately 1,155,000 metric tons (average yield 5.5 MT/ha). The 2020/2021 wheat will be harvested from a planted area of 68,000 ha and is expected to produce 272,000 MT like the 264,769 MT harvested from 68,965 ha in 2019/2020.

## **Corn**

Farmers are reporting that the weather conditions for corn are generally good, except for the dry soil due to lower precipitation in the first three months of 2020. The 2020/2021 corn will be planted on approximately 210,000 hectares (ha) versus the 191,840 ha in MY2019/2020, which is a ten percent increase. The planted corn area could translate into a production of 1,155,000 metric tons (MT) with an expected average of 5.5 metric ton/hectare (MT/ha).

Farmers will reportedly plant more because they fear the coronavirus situation will continue to negatively affect the food and feed supply chain supply. Also, the government adopted a set of measures that will help farmers to cope with the effects of the coronavirus pandemic in agriculture and provide more food for the market. The measures include higher subsidies for agricultural inputs for spring and autumn sowing (increased by \$5 million); facilitated procedure for rent of state-owned agricultural land; postponement of payments for rent and concession contracts for agricultural land for a period of three months from the due date in 2020; and a new credit line and a reprogram of existing agricultural loans. Payments of agricultural subsidies are now made in record time so that farmers can prepare for sowing. Incentive payments should continue to be timely made in the future. Fuel for spring planting will be subsidized with maximum \$33 (KM 60) per hectare, and the total amount secured for this purpose is \$2.7 million (KM 5.5 million).

## **Wheat**

Winter wheat was sown on 68,000 ha. With an expected average yield of 4.0 MT/ha, a total production of approximately 272,000 MT is expected. The current wheat area is like the MY2019/2020 wheat crop when 264,769 MT was harvested from 68,965 ha with an average yield of 3.8 MT/ha. The 2021/2022 wheat area is expected to increase for approximately 10 percent due to the coronavirus concerns and the government efforts to increase fall planting.

## **Barley**

Winter barley was sown on 20,500 ha and the expected production is 71,759 MT (an average of 3.5 MT/ha). The barley area slightly decreased from the 20,908 ha in MY2019/2020, when the production was 74,462 MT.

## **Oats**

Winter oats was sown on 6,500 ha, and area decreased by 36 percent from 10,208 ha in MY2019/2020. Allegedly, lately very popular buckwheat is sown more and more on traditional oats areas. That could translate into a production of approximately 19,500 MT (an average of 3.0 MT/ha). Spring oats will be sown on approximately 2,480 ha with an expected production of 7,440 MT.

The MY2019/2020 winter oats production was 27,231 MT and spring oats production was 12,050 MT.

## **Rye**

Winter rye area decreased from 3,561 ha in MY2019/2020 to 2,906 ha in MY2020/2021 that is expected to produce 10,171 MT (an average of 3.5 MT/ha). The MY2019/2020 production was 10,449 MT.

## **Trade in Grains**

Country's annual needs are approximately 550,000 MT of wheat and 1.2M MT of corn.

In 2019, BiH imported 324,663 MT of wheat valued at \$69 million (local currency Convertible Mark/KM 121.3 million) mainly from Hungary, Croatia and Serbia.

In the same year, BiH imported 180,973 MT of corn valued at \$36 million (KM 63.5 million). Approximately 95 percent of the imported corn came from Serbia.

In 2019, 28,591 MT of barley imports were valued at \$5.4 million (KM 9.4 million), while imports of oats were 3,679 MT valued at \$743,000 (KM 1.3 million), and rye imports of 1,000 MT were valued at \$206,000 (KM 360,000).

Regarding grain exports, in 2019 BiH exported 22,760 MT of wheat valued at \$4.7 million (KM 8.2 million) and 90 percent was destined to Turkey under the free-trade agreement. Exports of other grains were insignificant.

In 2019, BiH imports of wheat flour totaled 42,178 MT valued at \$12.6 million (KM 22.1 million), and 75 percent came from Serbia. In the same year, exports of wheat flour totaled 22,479 MT valued at \$7.6 million (KM 13.3 million).

**Attachments:**

No Attachments.