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

**Country:** Serbia

**Post:** Belgrade

**Report Category:** Grain and Feed

**Prepared By:** Tatjana Maslac

**Approved By:** Charles Rush

### **Report Highlights:**

Serbia's Marketing Year (MY) 2024/25 wheat area is forecast at 625,000 hectares (HA), 14 percent lower than the previous year. If the predicted yield of 5 MT/HA is achieved, wheat production is expected to reach 3.1 Million Metric Tons (MMT). Due to very high wheat ending stocks of 1 MMT and good crop quality exports of up to 1.5 MMT. MY2024/25 corn production is estimated to reach a high of 6.6 MMT, 10 percent higher than the previous year. Due to good weather Serbia's corn production in MY2023/24 could climb to 6.8 MMT, a significant increase of 2.2 MMT or 48 percent compared to MY2022/23. MY2022/2023 corn production was significantly damaged by the record summer drought. By the end of MY2023/24, Serbia will likely export 2.6 MMT of corn worth over \$620 million and regain its position as one of the leading European corn exporters.

## **Introduction**

This report presents the outlook for grain and feed, and production, supply, and demand (PS&D) forecasts for the marketing year (MY) 2024/25.

HA = Hectares

MT = Metric Ton

MMT = Million Metric Ton

MY = Marketing Year. Post and USDA official data both follow the marketing year of July to June for wheat and barley and an October to September calendar for corn.

TY = Trade Year. July to June for wheat and barley and October to September for corn.

## **Executive Summary**

For the second consecutive year, Serbia is commencing the new marketing year (MY) with exceptionally large quantities of ending stocks of wheat, above 1 MMT. This surplus can be attributed to exceptionally favorable crop yields, coupled with low market prices. Additionally, farmers are holding back goods from the market in anticipation of higher prices, further contributing to the accumulation of ending stocks. Limited opportunities for river transportation and stiff competition from Ukrainian crops, which are available at lower prices, have also influenced this surplus.

Serbia's MY2024/25 planted area for all crops is forecast at 3.3 million HA, which is considerably lower compared to last year, mostly due to reduced wheat area planted. Approximately 900,000 HA were planted last fall (i.e., wheat, rye, oat, and barley), while spring crops (corn, sunflower, soy, sugar beet, tobacco, vegetables, forage crops, etc.) will be planted on nearly 2.4 million HA. As usual crop yield depends on weather conditions during the vegetation period as 8-10 percent of arable land is irrigated. Depending on the crop, farmers will begin planting spring crops at the beginning of April. Good weather conditions are expected during spring planting.

This year winter temperatures did not drop to extreme lows and snowfall was below average. Winter kill damage is expected to be minimal. Also, Serbia experienced some record-high temperatures in February and March 2024. Despite these winter conditions, the wheat crop remained undamaged, and crops planted in the fall are currently in excellent condition. The main problem is the large number of different rodents that are damaging crops in some areas.

Fall planting included wheat, which was planted on 625,000 HA, barley on 108,000 HA, rapeseeds on 15,000 HA, oats on 12,000 HA, triticale on 10,000 HA, and rye on 6,000 HA. Approximately, 80,000 HA are expected to be planted to forage and 125,000 HA for vegetable crops. Planting costs (seeds,

chemicals, and artificial fertilizers) for winter crops in MY2024/25 are over 50 percent higher than the previous year.

In MY2023/24 Serbia's wheat crop was 3.4 MMT, 10.9 percent higher than in the previous MY. Serbia's domestic wheat consumption averages about 140,000 MT monthly (for all purposes). This represents annual consumption of 1.7 MMT. According to Serbian Grain Association data, Serbia's end stocks in MY2023/24 will be a record high of over 1 MMT.

The planting area for wheat for MY2024/25 is estimated at 625,000 HA, some 100,000 HA or 14 percent lower than the previous marketing year. Overall production is estimated to be 3.1 MMT, which is a 9 percent decrease compared to MY2023/24. With domestic consumption of around 1.7 MMT, and huge beginning stock of 1 MMT, Serbia could have 1.5 MMT of wheat available for export in MY2024/25.

Last spring, MY2023/24 corn was planted on 905,000 HA, almost the same as in previous year. Due to good weather Serbia had significant corn production in MY2023/24 of 6.8 MMT, a significant increase of 2.2 MMT or 44 percent compared to MY2022/23 when corn production was significantly damaged by the record summer drought. According to the Serbian Grain Fund, Serbia has sufficient corn for domestic use (about 4.4 MMT). It is estimated that Serbia would be able to export 2.6 MMT of corn in MY2023/24 (October 2023 - September 2024), which would represent returning of Serbian corn to the world market.

In spring, corn will be planted on 900,000 HA in the first two weeks of April. Production is expected to reach about 6.9 MMT with an average yield of 7.7 MT/HA. However, precipitation and temperatures in spring and summer will influence the final size of the MY2024/25 corn crop. With corn production of 6.9 MMT, Serbia will have sufficient corn for domestic use at about 4.4 MMT and about 2.5 MMT for exports in MY2024/25.

## **Wheat:**

### **Production**

The wheat crop was not affected by the spring and summer drought because it was planted last fall and harvested in June. Last year due to heavy rain in June, the wheat and barley harvest started later and lasted until the beginning of July. The harvested wheat area for MY2023/24 was estimated at 725,000 HA. Overall production was 3.4 MMT, which represents a 6 percent increase compared to MY2022/23. Serbia had 2.8 MMT of wheat available for export in MY2023/24 while domestic consumption is about 1.7 MMT.

The harvested area for wheat for MY2024/25 is estimated at 625,000 HA, some 100,000 HA or 14 percent lower than the previous marketing year. This reduction is mainly due to the very expensive planting costs and low wheat prices throughout the previous MY. Overall production is estimated to be 3.1 MMT, which represents a 6 percent decrease compared to MY2023/24. With domestic consumption

of around 1.7 MMT, and huge beginning stock of 1 MMT, Serbia could have 1.5 MMT of wheat available for export in MY2024/25. The new harvest season will begin in mid-June 2024. It is estimated that as of March 1, 2024, Serbia has 2.7 MMT of wheat in country. This includes consumption for the next four months when the new harvest is expected.

Due to Serbia's high ending stocks of about 1 MMT, prices will likely decrease further before the new harvest. Since the wheat crop is not irrigated, wheat production depends upon winter and spring moisture. This year, winter temperatures did not drop to extreme lows. Also, Serbia experienced record-high temperatures in February and March 2024. Despite these winter conditions, the wheat crop remained undamaged, and crops planted in the fall are currently in good condition. The main problem is the large number of rodents damaging crops. With favorable conditions during spring and enough moisture and sunshine, Serbia's wheat production in MY 2024/25 may be large. The wheat harvest will start in four months.

It is estimated that only 50 percent of the wheat area was planted with certified seeds while the remaining area was planted with seeds from the previous year. Most small wheat farmers plant their own seeds. During MY2024/25 the cost of seeds have increased by 40 percent.

Due to the lack of funds, Serbian farmers usually use less than half of the chemical fertilizers that farmers in developed countries use. This year, because of the expansive mineral fertilizers and not enough supply, Serbian farmers will use even fewer mineral fertilizers than in previous years. This, combined with the low use of certified seeds may reduce crop yields by up to 10 percent in MY2024/25. From 2016 to 2024, Serbian farmers use of mineral fertilizers fell from 140 kg/HA to less than 50 kg/HA. Serbia usually imports around 800,000 MT of fertilizers annually from Russia, Ukraine, Croatia, Romania, and Hungary; however, due to high prices and problems with transportation since MY2022/23 fertilizer imports are 30 percent lower than in previous years.

Wheat is an important crop in Serbia that absorbs a significant production area and plays a significant role in crop rotation, farmers' cash flow, and contracting with cooperatives (often, farmers borrow wheat, fertilizer, and other crops). Wheat production has transformed from a highly profitable subsidized crop to a more vulnerable commodity.

The main factors influencing trends in Serbia's wheat production are as follows:

- Competition from other field crops such as corn, sunflower, barley, and soy, which have been more profitable than wheat in recent years.
- Wheat is the sole winter crop cultivated in Serbia and plays a significant role in crop rotation.
- Serbia's wheat quality is still lower compared to that of the EU, but the increased adoption of foreign wheat varieties has led to improvements in quality and yields in recent years.
- The Russia-Ukraine conflict and its impact on access to Black Sea ports have affected wheat production.

- Large ending stocks resulting from the ban on wheat exports from March 10 to April 20, 2022, and wheat export quotas imposed from April 20 to July 21, 2022.
- Challenges with river transportation due to a shortage of river barges and ships.
- Persistent low wheat prices throughout the marketing year, with no possibility to cover increased production costs.

Due to Serbia's substantial wheat stocks, estimated at 1 MMT, it is anticipated that prices will continue to decline further prior to the commencement of the new harvest. Given that wheat production in Serbia is reliant on natural rainfall and weather conditions, the success of the crop hinges on the conditions experienced during the winter and spring months. Fortunately, the current outlook for wheat cultivation appears promising. Winter temperatures have not reached exceptionally low levels, and the wheat has been adequately protected by sufficient snow coverage during the coldest winter periods. Additionally, spring conditions are conducive to the maturation of wheat, characterized by an optimal balance of moisture and sunlight. With approximately four months remaining until the onset of the new wheat harvest, the outlook for production remains favorable.

## Trade

In MY2023/24, for the first eight months of the MY Serbia exported 696,554 MT of wheat and 114,011 MT of wheat flour (July 2023 to January 2024). When flour is converted to wheat grain equivalent (WGE), the total wheat exported from July 2023 to February 2024 is 844,768 MT. Exports were low due to high domestic prices for wheat compared to world wheat prices, lower quality, huge competition from Ukraine and Russia and the lack of river transportation due to the low Danube River water levels last fall.

So far, about 226,697 MT were exported by river barges to Port Constanza, Romania, while 469,857 MT was exported by railway and trucks to Italy and neighboring countries.

Serbian farmers resisted lowering the price of wheat despite high stocks and a lack of competitiveness on the world market through early January 2024. In late January 2024 prices began to decrease because several large traders decided to lower the price of their wheat which encouraged others to do likewise. In March 2023 farmers began selling even more wheat as a result of lower prices.

**Table 1: Wheat exports in MY2023/24 and MY2022/23**

Month	Wheat MY23/24 in MT	Flour MY23/24 in MT	Wheat MY22/23 in MT	Flour MY22/23 in MT
July	77,893	15,098	80,724	9,704
August	118,299	17,622	71,100	12,872
September	93,097	15,132	84,942	14,681
October	57,363	13,621	81,714	12,743
November	45,078	14,660	50,052	13,087
December	64,304	15,086	53,774	11,525

January	90,638	10,157	40,956	8,379
February	149,882	12,635	26,105	10,732
March	/	/	57,891	12,745
April	/	/	66,199	11,779
May	/	/	67,974	15,162
June	/	/	58,782	15,509
<b>TOTAL:</b>	<b>696,554</b>	<b>114,011</b>	<b>740,213</b>	<b>148,918</b>

Source: Serbian Grain Fund

In a period, July 2023 - February 2024, when converted to the WGE (wheat grain equivalent) Serbia exported, 844,768 MT of wheat. In MY2022/23, a total wheat export from Serbia when converted into the WGE was 933,806 MT.

**Table 2: Customs tariffs of grains in Serbia for 2023/24**

<b>Product</b>	<b>Custom tax for other countries (including the U.S.)</b>	<b>Custom tax for EU countries</b>	<b>Custom tax for Russia, Belarus, Kazakhstan</b>	<b>CEFTA countries</b>
Wheat	30%	0%	0%	0%
Corn	30%	0%	0%	0%
Barley	20%	0%	0%	0%

Source: Serbian Customs Office

## Stocks

Milling companies take advantage of their large storage capacity to negotiate competitive prices from the farmers. For the last several years, the Serbian government has provided storage subsidies to smaller farmers allowing them to store their wheat and sell it when prices are more advantageous. The total storage capacity for grain at Danube ports in Serbia is approximately 500,000 MT. Ending stocks of wheat in MY2023/24 is estimated to be around 1.5 MMT. This is the third year in a row that wheat ending stocks are above 1 MMT. This is due to the non-competitive wheat prices, large crop for last two years, huge beginning stocks from the wheat export ban, previous export quotas, and the low level of the Danube River.

## Policy

The Ministry of Agriculture, Forestry, and Water Management (MAFWM) is responsible for the government's strategy in the field of international and domestic agricultural trade, food processing, rural development, environment, forestry, and water management.

During CY2024 Serbia allocated 104.7 billion dinar (\$952 million) for agriculture budget, that is 36.2 billion dinars or 53 percent higher than in CY2023.

One of the primary advancements in Serbian agriculture is the implementation of the eAgrar system during 2023. eAgrar is an information system designed to facilitate various tasks for farmers. It enables online registration of agricultural holdings, allows for the modification or deletion of data, and facilitates the online submission and processing of applications for incentives. The adoption of eAgrar is expected to alleviate the workload for farmers, streamlining administrative processes for both farmers and officials responsible for processing subsidy applications.

The Serbian government continues to provide grain and oilseed producers subsidies increased of the state subsidies for plant production (per hectare) from 9,000 dinars/HA (\$82/HA) to 18,000 dinars/HA (\$164/HA) of arable land to registered farmers in eAgrar. If farmer is using certified planting seed can request additional 17,000 dinars (\$154/HA) per hectare, which makes planting subsidies even 35,000 dinars (\$318/HA). There is also an increase of the maximum limit of the area of arable agricultural land from 20 hectares, prescribed for exercising the right to receive subsidies for plant production, to 100 hectares, starting from January 1, 2024. The Serbian government also provides subsidies for diesel fuel of 50 dinars (\$0.45/lit) for a maximum of 100 liters/HA and for a maximum of 100 HA used agriculture land.

In July 2023, the Republic Directorate for Commodity Reserves issued a notice regarding the purchase of mercantile wheat crop 2023. The Commodity Reserves announced that they would buy up to 200,000 tons of mercantile wheat in crop MY2023/24. Wheat that would be offered must be of domestic origin, ripe, healthy, without signs of mold, foreign smells, and tastes, suitable for human consumption, not infected with wheat diseases and pests. It should meet the following quality parameters: hectoliter weight minimum 76 kg/hl, moisture maximum 13%, total impurities maximum 2% of which inorganic origin maximum 0.25%, protein content minimum 11.50% on dry matter. The price of wheat is 25 dinar/kg (\$0.23/kg). The Directorate made a payment for wheat within fifteen days from the date of delivery of complete documentation on the delivery of mercantile wheat to the Directorate.

During October 2023, the Republic Directorate for Commodity Reserves announced that it would exchange 36,000 MT of mineral fertilizers NPK for wheat and corn crop MY2023/24, under prescribed ratio. The right to exchange is available to registered farmers. Mineral fertilizer NPK (6:24:12) that is given in exchange is of domestic origin, is packed in polyethylene bags, equalized to 25/1 kg of net weight, on euro pallets, protected by PVC film, which fully corresponds to the quality standard established by SRPS- omg.

The MAFWM of Serbia announced the European Commission's decision continue to implement the Instrument for Pre-Accession in Rural Development (IPARD III) program for Serbia for 2021-2027, worth \$306 million. The IPARD is an EU financial assistance program intended for the aid of individual farmers or SMEs engaged in primary agricultural production and/or the food processing industry. The goal of the IPARD support is to help EU candidate countries align their agriculture policy with that of the EU, as well as, to improve the agricultural sector of the accession country and make its rural areas more sustainable. Now entering its third tranche, IPARD III aims to increase the competitiveness of the Serbian agri-food industries, further its digitalization, and decrease the impact of climate change through

adaptation measures. It is furthermore meant to increase the skill level of farmers and facilitate technology transfer and R&D investments. The program supports investments that relate to the procurement of equipment and machines, and the construction, and reconstruction of facilities, with the aim of reaching EU standards in the field of hygiene, food safety, animal welfare, and environmental protection.

## Marketing

Immediately after the July 2023 harvest, the price of wheat reached a maximum of 22.50 dinars/kg (\$192/MT). This price was 100 percent lower compared to the price during the same period a year ago when Serbia rescinded its export quota for wheat. From July – October 2023 Serbia’s wheat price remained high compared to neighboring countries. This was caused by the high cost of production and farmers refusal to lower the price of wheat which would have rendered them unable to cover the cost of production. As a result, only small quantities of wheat were exported from Serbia.

In October 2023, as per Novi Sad Commodity Exchange price of wheat decreased to 19 dinars/kg (\$162/MT), but again the exports were limited due to the offer of extremely cheap wheat in the Black Sea region. There were very limited exports during the fall months and winter months, but wheat prices remained the same 19-20 dinars/kg (\$173/MT-\$182/MT).

The price was still not competitive compared to the price for wheat from Ukraine and Russia in the Black Sea region. Wheat exports to the Port of Costanza, Romania in the period October 2023 - January 2024 were low. But prices were competitive in neighboring countries and Italy, where almost 80 percent of Serbia’s wheat exports are destined since October 2023. Wheat prices declined in February 2024 to 18 dinars/kg (\$164/MT) and exports immediately increased to almost 150,000 MT. It is expected that as of April 2024 due to high domestic stocks wheat prices will continue to further decline and that exports will increase. The new harvest season will begin in June 2024.

**Table 3: Prices of fertilizers and diesel (in Din and US\$)**

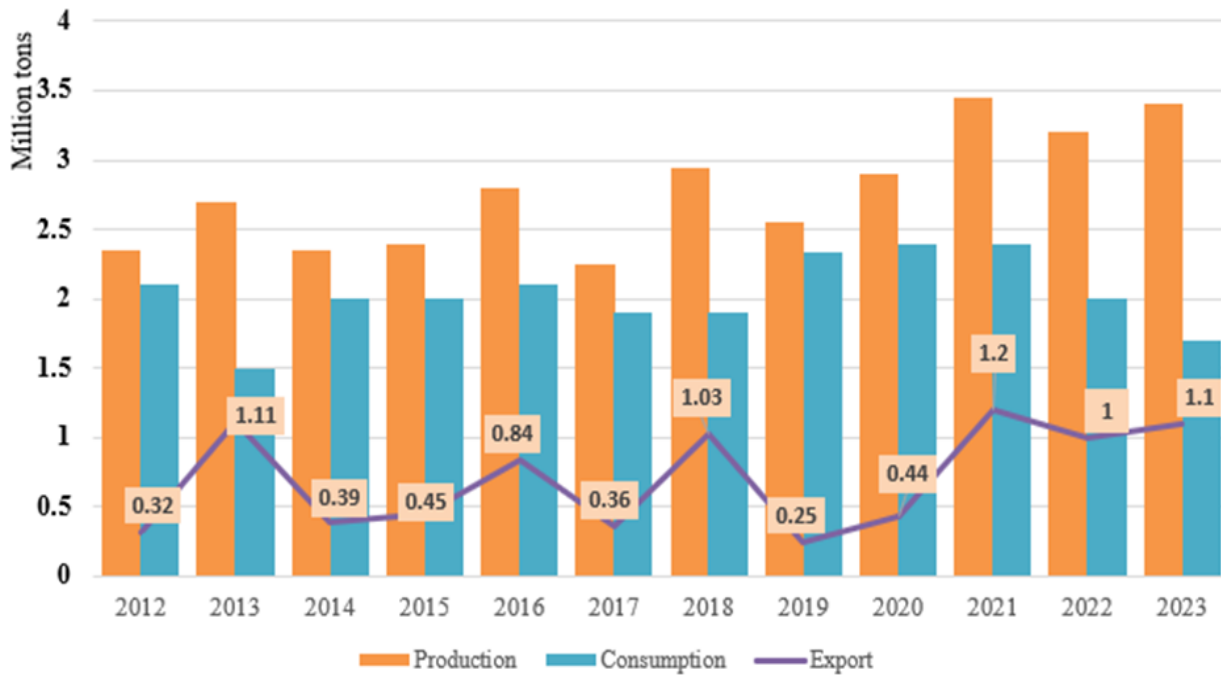
Commodity	March-2022		March-2023		March-2024	
	Din/MT	USD/MT	Din/MT	USD/MT	Din/MT	USD/MT
Fertilizer	90,000	820	80,000	727	50,000	454
Urea	97,000	880	65,000	590	47,600	433
Diesel	198 din/lit	1.80 USD/lit	179 din/lit	1.63 USD/lit	179 din/lit	1.63 USD/lit

Source: Novi Sad Commodity Exchange

Note: 1 USD equals 110,00 Serbian dinars.



**Chart 1: Production, consumption, and wheat export in MMT from Serbia  
2012-2023**



## Consumption

Serbia's MY2023/24 wheat domestic consumption is estimated at approximately 2.2 MMT. Per capita consumption of wheat is estimated at 180 kg, which is significantly higher than consumption levels in most European countries. This is mainly the result of diet trends and low income leading to increased consumption of bread and pasta, replacing meat. Currently, there are approximately 550 wheat silos (of various sizes) in Serbia owned by milling companies, grain traders, and farmer cooperatives, with a total capacity of 4.2 MMT. Serbia's wheat milling capacity is estimated at 2.5 MMT, with 70 percent currently utilized. There are over 120 industrial bread production facilities and bakeries, with an annual capacity of approximately 1.5 MMT. There are six large companies in Serbia that are involved in pasta production and over 600 small private pasta producers.

The annual consumption of wheat seeds is approximately 200,000 MT from domestic and imported seed sources. Every year, seed companies in Serbia offer more than 70 varieties of wheat planting seeds. Local seed producers supply more than 50 percent of the market. In the fall of 2023, the price of wheat seeds was approximately 110 (\$1,000/MT), 37 percent higher than in the fall of 2022 (80 dinars/kg (\$727/MT)).

Feed consumption, primarily for cattle in average years ranges between 250,000-400,000 MT, depending on the crop quality each year. In MY2023/24 situation was very much different.

Approximately 40 percent of the total wheat crop was sold as a cattle feed, mostly due to the low wheat quality. Also, wheat producers blended lower-quality wheat with higher-quality wheat to obtain the quality required by the milling and confectionery industries. Feed and Residual should be increased to over 900,000 MT for MY2023/24.

As of March 1, 2024, Serbia is estimated have 2.7 MMT of wheat in country. This includes consumption for the next four months until new the harvest (400,000 MT), exports (and ending stocks. As of March 1, 2024, Serbia has approximately 2.7 MMT of wheat available. Domestic consumption is estimated at 400,000 MT, additional wheat exports until the new harvest are also estimated at 400,000 MT (making total export of wheat 1.1 MMT) and for the third year in a row high ending stock of 1 MMT. The new harvest will begin earliest in mid-June 2024.

In MY2023/24, it is estimated that 40 percent of the total amount was used as wheat for feed and non-food purposes. This is mostly result of non-existence of storing capacity for wheat that will sort it into different categories, and with different prices.

<b>Wheat Market Year Begins</b>	<b>2022/2023</b>		<b>2023/2024</b>		<b>2024/2025</b>	
	<b>Jul 2022</b>		<b>Jul 2023</b>		<b>Jul 2024</b>	
<b>Serbia</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>
<b>Area Harvested</b> (1000 HA)	620	620	682	725	0	625
<b>Beginning Stocks</b> (1000 MT)	555	555	823	973	0	1040
<b>Production</b> (1000 MT)	3200	3300	3449	3400	0	3100
<b>MY Imports</b> (1000 MT)	15	2	15	2	0	3
<b>TY Imports</b> (1000 MT)	15	2	15	2	0	3
<b>TY Imp. from U.S.</b> (1000 MT)	0	0	0	0	0	0
<b>Total Supply</b> (1000 MT)	3770	3857	4287	4375	0	4143
<b>MY Exports</b> (1000 MT)	897	934	1150	1100	0	1500
<b>TY Exports</b> (1000 MT)	897	934	1150	1100	0	1500
<b>Feed and Residual</b> (1000 MT)	600	500	700	935	0	600
<b>FSI Consumption</b> (1000 MT)	1450	1450	1480	1300	0	1450
<b>Total Consumption</b> (1000 MT)	2050	1950	2180	2235	0	2050
<b>Ending Stocks</b> (1000 MT)	823	973	957	1040	0	593
<b>Total Distribution</b> (1000 MT)	3770	3857	4287	4375	0	4143
<b>Yield</b> (MT/HA)	5.1613	5.3226	5.0572	4.6897	0	4.96
(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 2024/2025 = July 2024 - June 2025

## **Corn:**

### **Production**

This spring corn will be planted on approximately 900,000 HA during the first two weeks of April. Production is expected to reach about 6.9 MMT with an average yield of 7.7 MT/HA. However, precipitation and temperatures in spring and summer will influence the final size of the MY2024/25 corn crop. With corn production of 6.9 MMT, Serbia will have sufficient corn for domestic use at about 4.4 MMT and about 2.5 MMT for exports in MY2023/24.

Last spring, MY2023/24 corn was planted on 905,000 HA, almost the same as in previous year. Due to good weather Serbia had significant corn production in MY2023/24 at 6.8 MMT, a significant increase of 2.2 MMT or 48 percent compared to MY2022/23 when corn production was significantly damaged by the record summer drought. According to the Serbian Grain Fund, Serbia has sufficient corn for domestic use (about 4.4 MMT). As of March 1, 2024, it is estimated that Serbia has 4.6 MMT of corn in country. With exports of almost 1 MMT of corn through February 2024 and estimated exports March-September 2024 of 1.6 MMT it is expected that Serbia will be able to export in MY2023/24 around 2.6 MMT. If this is achieved, Serbia would reclaim its place among the leading global corn producers.

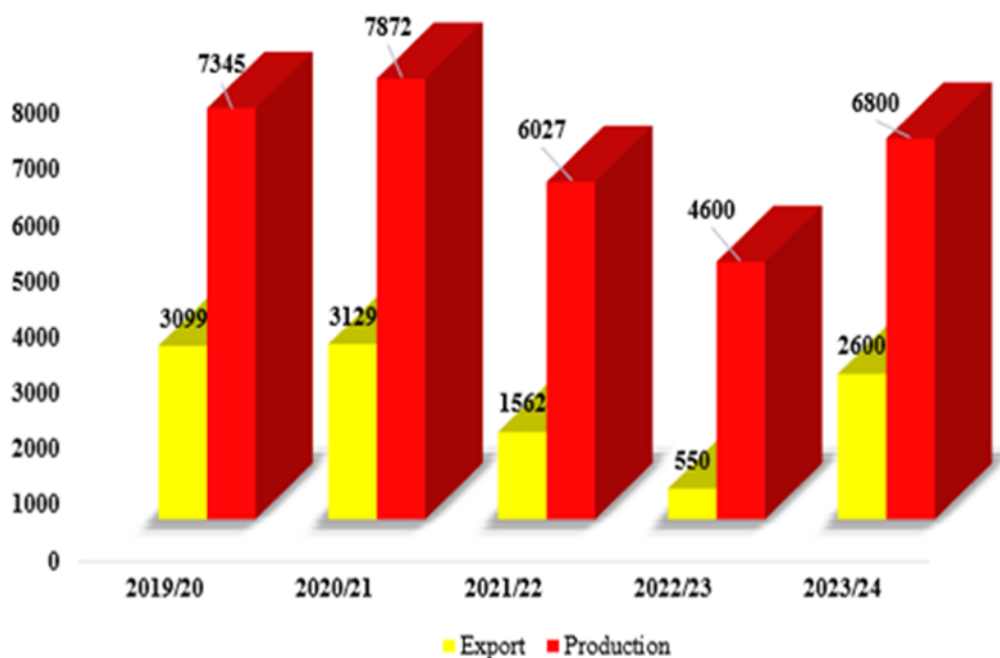
The corn harvest started in late August 2023, which was two weeks earlier than the average, but lasted until December because of heavy precipitation during the harvest. In an average year, corn has 16-20 percent moisture and needs to be dried artificially or naturally to 14-14.5 percent, mostly to meet requirements stipulated by international grain traders. In some areas (North Vojvodina) small quantities of Serbian corn had increased levels of aflatoxin (mycotoxin fungi) that reduced the competitiveness of Serbian at the world market. This corn was mostly mixed with the MY2022/23 crop to improve the quality.

Corn is a crop that producers can easily store on their farms. Farmers harvest the crop in October and November. The crop is stored on farms to dry naturally or taken to drying facilities. Farmers hold their corn until the spring. They usually sell their crop during the “second harvest” in March before the start of the new planting season. Dried corn normally has moisture between 14 and 17 percent and is usually sold in small lots. Small farmers consider corn a good investment considering the planting, harvesting, and storage costs.

Serbia’s commercial request for certified corn seed is estimated between 20,000 and 25,000 MT annually, depending on seed varieties and area planted. The Institute for Field and Vegetable Crops of Novi Sad (NS Hybrids) and the Maize Research Institute of Zemun Polje (ZP Hybrids) are prominent players in Serbia’s corn seed production. They are both semi-state-owned institutes, and currently

control 19 and 24 percent of the corn seed market respectively. This represents a considerable decline in market share due to foreign corn seed producers entering the market several years ago. Corteva Agriscience (DuPont, Pioneer, and Dow Chemicals) has been the most significant player in the corn seed market for the year, with a market share of 35 percent. DuPont Pioneer and two domestic institutes account for 71 percent of the corn seed market. The remaining percentage is shared by approximately 15 foreign companies (KWS, Limagrain, Syngenta, Monsanto, Dekalb, Agrimax, Maisdour, etc).

**Chart 2: Export and Production of Corn from MY2019/20 to 2023/24**



### Consumption

Serbia’s MY2023/24 corn consumption is estimated at approximately 4.4 MMT the same as the previous year. From 4.4 MMT for domestic consumption, some 4.1 MMT is used for animal feed and 300,000 MT for food, seed, and industrial. Corn consumption for feed has been in decline for decades due to decreased livestock numbers in most of the transition countries. Corn consumption for MY2024/25 will remain on the level of the MY2023/24 approximately 4.4 MT. Serbia will not have increase in the number of cattle and thus corn consumption will remain almost the same. In 1990, there was 2.16 million head of cattle, while in 2024, there are less than 800,000 head of cattle and still declining. Corn starch producers in Serbia have a higher demand and increased production in MY2023/24.

## Trade

The logistical bottlenecks for the grain trade in Serbia are railways in a bad state of repair, low maximum weight load and speed with only about half of the railway tracks allowing for speeds over 60 km/h, a limited number of old and inefficient vessels, and the infrastructure of internal waterways downstream and a limited number of intermodal grain terminals.

In MY2022/2023, Serbia exported record low quantities of corn of only 550,000, which is 1 MMT lower than in the previous MY2021/22, when Serbia exported 1.5 MMT of corn, worth approximately \$450 million. From October 2023 to February 2024, Serbia exported 962,043 MT of corn, or almost 100 percent higher than in the same period last year. In December 2023, Serbia exported record-high quantities of corn of 308,419 MT. This is mainly because of the large supply and lower price compared to the corn from neighboring countries and Ukraine to the Black Sea ports. Total corn exports in MY2023/24 are expected to reach a record high of 2.6 MMT valued at around \$620 million.

The current price of corn on the Novi Sad Commodity Exchange is 15.50-16 dinars/kg (\$140-\$145/MT), on a decreasing trend in the following weeks. Of the 962,043 MT exported some 567,005 MT in MY2023/24 went through via the Danube River to the Black Sea Port of Constanza Romania (over 2 MMT of total corn exports) with the remaining quantities exported to Italy, Austria, Croatia, and Greece, as well as neighboring Bosnia and Hercegovina, Albania, North Macedonia, Kosovo, Montenegro.

For the last several years, Serbia has sought new export markets for corn with a focus on China and Indonesia. All Serbian corn is GMO-free which makes it highly sought after in South Korea, Morocco, Tunisia, Jordan, Pakistan and India. In 2019, Serbia and China started negotiations on harmonizing corn export certificates. This harmonization process is still on-going.

**Table 4: Corn Exports in MY2022/23 and in MY2023/2024**

Month	MY2022/23 in MT	MY2023/24 in MT
October	97,757	155,885
November	67,399	257,460
December	54,105	308,419
January	26,770	131,962
February	22,491	108,317
March	35,205	/
April	43,137	/
May	31,912	/
June	43,610	/
July	28,668	/
August	38,815	/
September	53,796	/
<b>TOTAL:</b>	<b>543,665</b>	<b>962,043</b>

Source: Serbian Grain Fund

## Stocks

In MY2023/24, the corn-ending stocks were estimated at 237,000 MT, while ending stocks in MY2024/25 are estimated at 244,000 MT. Most farmers keep their stock in open-air storage facilities to dry naturally. These stocks are usually sold in local markets at the beginning of March to collect money for the new planting season.

## Policy

The GoS will continue to support corn production through the same policies outlined in the wheat policy section.

In February 2024, the Republic Directorate for Commodity Reserves announced the exchange of purchase of up to 30,000 MT of corn for MY2023/24 for pork and cattle for fattening under certain parity for the registered farmers only. Parity is set at 14.62 kg of corn for one kilogram of swine and 19.71 kg of corn for one kilo of cattle.

## Marketing

Corn prices on the Novi Sad Commodity Exchange have been high despite the record-high corn crop in MY2023/24 mostly due to very high production costs. From November 2023 to January 2024 price of corn was 17-19 dinars/kg (\$155/MT-\$173/MT) and it was competitive at the world market. Prices of corn dropped in February 2024 to 15-16.5 dinars/kg (\$136/MT-\$150/MT) mostly due to the large stocks that must be eliminated before a new harvest. The current price for corn is competitive, but there is limited demand for Serbian corn FOB Danube ports, because the huge competition of the Ukraine and Russian corn.

Corn Market Year Begins	2022/2023		2023/2024		2024/2025	
	Oct 2022		Oct 2023		Oct 2024	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	952	950	923	905	0	900
Beginning Stocks (1000 MT)	877	877	440	432	0	237
Production (1000 MT)	4283	4600	6631	6800	0	6900
MY Imports (1000 MT)	14	5	5	5	0	7
TY Imports (1000 MT)	14	5	5	5	0	7
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	5174	5482	7076	7237	0	7144
MY Exports (1000 MT)	534	550	2100	2600	0	2500
TY Exports (1000 MT)	534	550	2100	2600	0	2500
Feed and Residual (1000 MT)	3900	4200	4100	4100	0	4100

<b>FSI Consumption</b> (1000 MT)	300	300	300	300	0	300
<b>Total Consumption</b> (1000 MT)	4200	4500	4400	4400	0	4400
<b>Ending Stocks</b> (1000 MT)	440	432	576	237	0	244
<b>Total Distribution</b> (1000 MT)	5174	5482	7076	7237	0	7144
<b>Yield</b> (MT/HA)	4.4989	4.8421	7.1842	7.5138	0	7.6667

(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 2024/2025 = October 2024 - September 2025

## Barley

### Production

MY2023/24 barley growing conditions were good. The area harvested with barley in MY2023/24 was 113,000 HA or 2 percent higher than in the previous year, mostly due to higher demand. In MY2023/24, most of the barley is winter barley, and only about 2,000 HA will be planted as spring barley. At an estimated average yield of 4.65 MT/HA, production is estimated at 520,000 MT for MY2023/24. The area planted with barley has risen steadily over the last 10 years from 80,000 HA in MY2011/12 to 113,000 HA in MY2023/24.

The area planted to winter barley in MY2024/25 is expected to be 108,000 HA or 12 percent lower than in the previous year. For MY2024/25, at an estimated average barley yield of 4.8 MT/HA, production can reach around 518,000 MT. With domestic consumption of around 410,000 MT Serbia could have around 100,000 MT of barley available for export in MY2024/25.

### Consumption

Total barley consumption for the past five years has ranged between 350,000 - 500,000 MT. In MY 2023/24 it is estimated that 260,000 MT will be used for animal feed and around 170,000 MT for the brewery industry. Barley consumption in MY2023/24 is estimated at 430,000 MT. Brewery barley consumption is steady due to consistent demand from local breweries. Local breweries have been sold to well-known Belgian, U.S., Canadian, German, Austrian, and Turkish companies. Barley planted for brewery use continues to expand year after year.

### Trade

Barley production is estimated at about 520,00 MT for MY2023/24, exports were also significant reaching a record high of export of 100,000 MT. Barley is mainly exported by truck and rail. Most of

the Serbia's barley was exported to Croatia, Bosnia and Herzegovina, Albania, and Montenegro. From July 2023 until February 2024, Serbia exported 71,563 MT of barley, 5 percent higher than in the same period last year. Total barley exports for MY2023/24 could reach 100,000 MT.

In MY2023/24 total barley imports was 2,000 MT, which is significant decrease comparing the previous year when Serbia imported record high quantities of 21,528 MT of barley. It is estimated that imports of barley in MY2022/23 was record high because of higher demand of barley for feed registered aflatoxin in corn crop MY2022/23. In MY2023/24 barley is imported from Hungary, Slovakia, and Austria.

**Table 5: Barley exports in MY 2021/22 and MY2022/23**

<b>Month</b>	<b>Barley in 2022/23 in MT</b>	<b>Barley in 2023/24 in MT</b>
July	41,611	37,267
August	12,644	13,178
September	4,473	6,311
October	2,061	3,347
November	1,153	2,893
December	3,121	2,979
January	2,188	3,508
February	1,102	836
March	447	/
April	349	/
May	470	/
June	30,645	/
<b>TOTAL:</b>	<b>100,264</b>	<b>71,563</b>

Source: Serbian Grain Fund

## **Stocks**

Barley beginning stocks in MY2023/24 are estimated at 20,000 MT. Post projection for barley ending stocks in MY2023/24 is at about 12,000 MT. This is a quantity of barley beginning stock in MY2024/25.

## **Policy**

The GoS will continue to support barley production through the same policies outlined in the wheat policy section.

## **Marketing**

The price of barley usually follows the price of wheat. This is mainly because the production costs and production technology for wheat and barley are the same and thus market prices of each commodity are usually similar. The current market price for barley is 16-16.50 dinars/kg (\$145-\$150/MT).



Barley Market Year Begins Serbia	2022/2023		2023/2024		2024/2025	
	Jul 2022		Jul 2023		Jul 2024	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	110	110	120	113	0	108
Beginning Stocks (1000 MT)	28	28	58	20	0	12
Production (1000 MT)	560	560	620	520	0	518
MY Imports (1000 MT)	12	22	5	2	0	2
TY Imports (1000 MT)	2	22	5	2	0	2
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	600	610	683	542	0	532
MY Exports (1000 MT)	102	100	150	100	0	110
TY Exports (1000 MT)	100	100	150	100	0	110
Feed and Residual (1000 MT)	260	290	260	260	0	250
FSI Consumption (1000 MT)	180	200	180	170	0	160
Total Consumption (1000 MT)	440	490	440	430	0	410
Ending Stocks (1000 MT)	58	20	93	12	0	12
Total Distribution (1000 MT)	600	610	683	542	0	532
Yield (MT/HA)	5.0909	5.0909	5.1667	4.6018	0	4.7963

(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 2024/2025 = October 2024 - September 2025

**Attachments:**

No Attachments