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Grain and Feed Market Update

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Approved By:
Russ Nicely
Prepared By:
Mila Boshnakova

Report Highlights:
Bulgarian farmers increased wheat planted area in MY2016/17 by 9% as of December 2015. Winter barley planting had a decline of 2.2%. Growing conditions to date have been favorable with mild winter and sufficient soil moisture. Provided that the weather cooperates later in the season, the country can expect a very good crop and higher average yields. MY2015/16 corn was seriously affected by drought and FAS/Sofia estimate is for a 23% decline in production despite higher area. Early data indicates that farmers plan to reduce their planting for MY2016/17. MY2015/16 grain exports have been depressed due to lower prices, reluctant farmers' sales, tough Black Sea competition, and sluggish demand. As of early April 2016, the country has exported 2.430 MMT of wheat, 404,000 MT of barley, and 710,000 MT of corn. Accumulated wheat stocks are at record levels and represent a heavy burden for the market.

Please Note: This report is to be read in conjunction with the Annual EU28 Consolidated Grain and Feed Report (Grain and Feed Annual_London_EU-28_4-1-2016) and provides further information on Bulgarian market of grain and feed.

General Information:
Overview

The key trends in grain and feed sector development in MY2015/16 and in MY2014/15 to date are as follows:

- MY2015/16: The year started with larger than usual stocks, especially for wheat, and depressed prices. Exports are slow and lower than in the previous season. Lower prices stimulate higher use of select grains, mainly for industrial use (wheat, corn), for food (corn) and to a certain degree for feed, however, overall grain use has not been stimulated much by depressed prices due to saturated demand and stagnant consumption in the dairy/livestock sectors (poultry is an exception). The local market cannot absorb the available supply and the year may end up with lower but still significant stocks;
- MY2014/15: Excellent grain production resulted in higher exports. However, exports were not sufficient to offset the big crops in a stagnant local market. Thus, the year ended with higher stocks which further depressed the market.

Both years witnessed shifts in feed consumption related to price ratios and availability of feed grains. New investments in the starch and feed industries in 2015 and 2016 are likely to play an important role for domestic demand in the near future.

MY2016/17

The weather in the fall of 2015 was favorable for the fall planting. Farmers were able to plant on time as some planting was done later due to drier conditions. Despite limited rainfall and warmer than usual temperatures which stimulated more pests, newly planted wheat and barley remained in good shape. Snow cover in the period late December – early February managed to protect the crops from the lower temperatures that reached - 22 C. At the same time, the snowfall provided much needed moisture to build soil moisture reserves. Provided that the weather cooperates in the remainder of the season, the country can expect the same as in MY2015/16 or slightly higher wheat and barley average yields.

As of December, MinAg reported the following planted areas:

Table 1. Planted Winter Grain, MY2016/17

Planted Winter Grains, MY2016/17, HA			
	December 4, 2014	**December 3, 2015**	**Difference, %**
Wheat	995,009	1,083,359	+8.9%
Winter barley	166,478	162,820	-2.2%
Rye	4,797	5,731	+19.5%
Triticale	10,208	12,948	+26.8%
Source: MinAg Bulletin 11/2015, December 9, 2015			

Note: In April 2016, MinAg reported wheat area at 1,121,675 HA, rye area at 6,883 HA and triticale area at 13,723 HA

Farmers planted larger wheat area compared to MY2015/16 when the area was record low due to reoccurring rains. Currently, industry estimates vary from 1,084,000 HA to 1,162,000 HA. FAS/Sofia estimate is for 1,130,000 HA assuming minimal winter losses, which is 3% growth. Production estimates are currently in the range of 4.668 MMT to 4.9 MMT. FAS/Sofia estimate is at the high-end of 4.9 MMT- 5.0 MMT with an average yield of 4.4 MT/HA.

Barley planted area is slightly lower. FAS/Sofia current estimate is for 170,000 HA. Production estimates are in the range of 680,000 MT-720,000 MT. FAS /Sofia expectations are for 700,000 MT.

Projections about corn planting are for stagnation or a modest decline in the planted area compared to MY2015/16. According to industry sources, this is caused by the fact that farmers suffered seriously from the 2015 summer drought, had low yields and small or negative margins, and had experienced difficulties with sales and exports to date. According to industry sources, local authorities are ready to legally allow another season of derogation in use of neonicotinoids. However, farmers are likely to favor growth in sunflower area at the expense of corn. First commercial sales of planting seeds at the seed bourse during the first week of February confirmed this trend. In addition, there are market speculations that Ukraine (the main regional competitor) may produce a higher corn crop (at the expense of lower wheat areas) and export more in the next season which discourages local plantings. Area estimates vary from 410,000 HA to 450,000 HA, and current FAS/Sofia estimate is for 440,000 HA. Production expectations are in the range of 2.45 MMT to 2.7 MMT, and FAS/Sofia is for 2.6 MMT.

MY2015/16

The MinAg statistical office published its tentative official data on 2015 crops on April 4. Since September 2015 the MinAg began to collect and publish weekly bulletins about harvest and planting progress. This data is collected by regional MinAg offices and is not statistically verified but provides a very good orientation about day-to-day operations and trade.
Current MinAg, industry and FAS/Sofia estimates are shown in Table 2.

If FAS/Sofia estimates for MY2015/16 are used and compared to the previous marketing year, it shows 10% decline in harvested areas for the three major grains and 15% reduction in production, mainly due to drought and lower corn yields.

Wheat decreased by 16% (area) and by 11% (production) compared to MY2014/15. Barley decreased by 13% (area) and by 11% (production). Corn was an exception with 13% higher area, however, production was 23% down compared to the previous season but due to summer drought.

Wheat yields were higher than expected initially at 4.45 MT/HA compared to about 4.2 MT/HA in the last two seasons. Barley yields were surprisingly high at 4.04 MT/HA compared to 3.96 MT/HA and 3.68 MT/HA in the last two seasons. Many farmers reported barley yields exceeding that of wheat. According to industry sources, a shift in use to more imported genetics is one of the reasons for this trend in average yields.

Table 2. Grain and Feed Crops Estimates as of April 2016

Crop Years MY2015/16 vs. MY2014/15	Harvested Area (000 HA)		Production (000 MT)	
	MY2015/16 (est.)	**MY2014/15 (final official)**	**MY2015/16 (est.)**	**MY2014/15 (final official)**
Wheat	1,111 planted 1,103 harvested (MinAg April 2016) 1,060-1,070 Industry estimates 1,070 (FAS estimate)	1,268	5,004 (MinAg April 2016) 4,600-4,800 Industry estimates 4,760 (FAS estimate)	5,347
Barley	188 total winter and spring barley (MinAg) 177-190 Industry estimates 188 (FAS estimate)	215	757 total winter and spring barley (MinAg) 705-785 Industry estimates 760 (FAS estimate)	852
Corn	499.8 planted 497.5 harvested (MinAg April 2016) 425-491 Industry estimates 460 (FAS estimate)	408	2,691 (MinAg April 2016) 2,100-2,550 Industry estimates 2,400 (FAS estimate)	3,137
Total	1,718	1,891	7,920	9,336
Note: MY2014/15 data is final official data; MY2015/16 estimates are based on MinAg weekly bulletins and tentative statistical reports.				

Grain Sector Trends MY2015/16

Wheat

Currently there are several key market trends in the market:

- Lower exports to date and accumulation of higher end-stocks;
- Increased feed use due to good availability and affordable price;

- Continued trend of decreased use of wheat for human consumption;
- Increased use of wheat for ethyl alcohol production.

Despite a challenging planting campaign and spring floods, wheat yields and production exceeded earlier expectations and production was officially reported at 5.0 MMT due to higher average yields of 4.53 MT/HA. Quality of the crop was good and better than in the previous season with estimated 51% share of the milling wheat compared to 25% in MY2014/15 (Table 3).

Table 3. Wheat Quality 2015 Crop

Quality Characteristics	**2015 Crop**
Soft Wheat	
Protein content	
>= *13%*	11.52%
12.5-12.9%	7.41%
12.0-12.4%	12.57%
11.5-11.9%	15.75%
11.0-11.4%	14.53%
10.5-11.0%	17.44%
< 10,5%	20.78%
Moisture content	
13.5-14.4%	2.62%
12.5-13.4%	13.93%
<12,5 %	83.18%
Hectoliter mass	
> 76%	94.36%
Durum Wheat	
Protein content	
>= 13%	30.98%
12.5-12.9%	39.51%
12.0-12.4%	12.57%
< 11.5%	9.8%
Moisture content	
13.5-14.4%	8.63%
12.5-13.4%	30.78%
<12,5 %	60.59%
Hectoliter mass	
> 76%	94.36%
Source: MinAg Grain Market Department 2015	

A better quality of wheat, however, was not able to bring the expected return to farmers due to depressed market prices and lower premiums for quality. In addition market demand for exports has been dominated by feed wheat rather than milling wheat.

Wheat Supply and Demand Balance MY2013/14 – MY 2015/16

Bulgaria	**2013/14**	**2014/15**	**2015/16***	
Marketing Year Begin	**July 2013**	**July 2014**	**July 2015**	
Area	1,314	1,268	1,070	(000) HA
Production	5,505	5,347	4,760	(000) MT
MY Imports	45	47	42	(000) MT
MY Exports	3,714	3,037	2,950	(000) MT
Total Consumption	1,743	1,880	1,930	(000) MT
Note: FAS/Sofia estimates				

Wheat for Food Use: A gradual decrease in wheat consumption for human purposes has been ongoing over the last 10 years driven by changing eating habits, demography and lifestyle. The first official data for 2015 (first quarter) indicates that this trend has continued with a 4.8% decline in consumption of bread, bakery products and flour by households. Official data about wheat flour production also show a modest decline. Wheat flour output declined by 2.7% between 2012 and 2013; and 3% between 2013 and 2014 (535,000 MT in 2012), (523,000 MT in 2013), (507,000 MT in 2014). Industry estimates about wheat for food use are in the range of 940,000 MT to 1.00 MMT. Currently FAS/Sofia estimate wheat used for food purposes at 980,000 MT with potential for downward revision in the future.

The country continues to switch to use of higher-end flours and bakery products. Imports of mixes and dough for bakery products (HS#190120) in 2015 were 19% higher in volume and 10% more in value (U.S. $4.8 million) compared to 2014. Imports under Wheat Flour group (HS#1101) for the same period were 6.5% more in value (U.S. $6.4 million) and 28% more in volume.

Wheat for Feed: Domestic feed wheat consumption was higher due to lower prices, better availability and as a substitute for barley which is being exported at a faster pace. Unlike the previous season, however, almost equal domestic prices between feed wheat and corn at certain periods throughout the year and at certain regions did not allow substantial growth in the use of wheat. Overall, the local dairy/livestock industry stagnates and the most dynamic use is seen in the poultry sector with preferences towards corn versus wheat as more economically viable. FAS/Sofia estimate that wheat feed use in the current season is about 5% more than in MY2014/15.

In early 2016 a foreign investor announced a sizable investment in a feed operation with the intent to export compound feed to Asia. Planned capacity is 150,000 MT and it is expected to be operational by October 2016. Provided that the venture succeeds, it will have the potential to absorb considerable quantities of feed grain and make competition among exporters more intense.

Wheat for Industrial Use - Traditionally, wheat use for industrial purposes has not been high and was estimated at about 15-20,000 MT, mainly for bioethanol and ethyl alcohol for food/medical purposes. Over the last year, however, industry reports higher usage of wheat for this purpose due to better availability (and stocks). Grains estimated to meet this demand are used in a proportion of 35%-40% wheat and 60%-65% corn. Thus, FAS/Sofia estimate for wheat use for industrial purposes is currently at 65,000 MT.

Reportedly, higher use of grains for alcohol production is likely to continue in the next marketing year.

Domestic production of distilled spirits using grain alcohol has grown as well as trade. The country remains a net exporter of ethyl alcohol.

Table 4. Trade under HS#2207 Ethyl Alcohol

Trade under HS#2207 Ethyl Alcohol			
	2013	**2014**	**2015**
Imports, liters	6.1 million	17.0 million	19.6 million (15.5% growth over 2014)
Exports, liters	33.5 million	44.1 million	49.5 million (23.2% growth over 2014)
Source: WTA data			

Table 5. Distilled Spirits Production 2008-2014

Years	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**
Distilled spirits in 000 liters 100% pure alcohol	14,400	8,500	14,600	15,200	16,300	22,500	35,600
Source: National Statistical Institute							

Trade - WTA data (July - December 2015) and local MinAg monthly bulletins data are shown in Table 6. WTA data for the July-December period MY2015/16 (In Wheat Converted in CWT) is for exports of 2.3 MMT of wheat while official MinAg and industry estimates indicate about 2.4 MMT exported by early March. Major export markets remain in the EU – Spain, Italy, Romania and Greece. Exports lag behind the previous season due to tough competition in the Black Sea region and depressed prices which made farmers reluctant sellers. Current estimates for MY2015/16 exports are at 2.7 MMT - 3.4 MMT. FAS/Sofia estimate is for 2.95 MMT.

Table 6. Wheat Trade, July 2015 - April 2016

Wheat and Wheat Flour Converted	**WTA (July - December 2015)**	**MinAg as of early - April 2016**
Imports	29,175 CWT (EU) • 9,919 CWT - Greece • 5,725 CWT - Austria • 3,832 CWT - Romania	14,925 MT (EU)
Exports	2,320,206 CWT Including: 786,465 CWT – Spain 399,193 CWT - Italy 230,733 CWT - Romania 250,672 CWT - Greece 90,290 CWT - Vietnam 68,013 CWT - South Korea	2,430,035 MT (1,608,337 MT to the EU and 821,698 MT to non-EU markets) 2,500,000 MT – industry estimates

	68,412 CWT- Portugal 60,424 CWT - Libya	

Stocks - Sluggish exports to date, along with the stagnated local market, and better than previously expected crop, have resulted in accumulation of higher stocks. Estimates for MY2015/16 beginning stocks vary widely from 380,000 MT to 650,000 MT with MinAg estimate on the high end of 700,000 MT. Current FAS/Sofia estimate is for 640,000 MT. Since wheat exports account for more than 50% of total supply and the local market sees small growth, the final size of exports will be critically important for the ending stocks. This leads to significant uncertainty and a wide range of industry estimates from 100,000 MT to 500,000 MT ending stocks by June this year.

The MinAg tentative data as of early April, 2016 shows high beginning stocks for MY2015/16 of 700,000 MT and estimates local consumption at 1,908,742 MT with about 1,744,198 MT in available stocks (April, Bulletin #14) either to be exported (in addition to already exported 2,430,035 MT) and/or for ending stocks.

Barley

Currently there are several key market trends on the market:

- Good exports to date;
- Lower supply and good export demand limit the feed use;
- Food use (beer/malts) is revised to lower levels as a result of new industry data

Barley, similar to wheat, had a challenging planting campaign. As a result, the planted areas declined significantly by 13%. Thanks to favorable spring rains, however, barley yields and production exceeded earlier expectations. Production was reported at 757,000 HA (winter and spring barley) due to higher average yields of above 4.0 MT/HA. Yields only partly offset lower area and production declined by 11%. Quality of the crop was better than in the previous season (Table 7).

Table 7. Barley Quality 2015 Crop

Quality Characteristics	2015 Crop
Barley	
Moisture content	
>= 14,5%	2.49%
13.5-14.4%	25.62%
12.5-13.4%	33.26%
<12.5 %	38.63%
Hectoliter mass	
> 65%	49.77%
62-65%	33.54%
<62%	16.69%
Source: MinAg Grain Market Department 2015	

Barley Supply and Demand Balance MY2013/14 – MY 2015/16

Bulgaria	**2013/14**	**2014/15**	**2015/16***	
Marketing Year Begin	**July, 2013**	**July, 2014**	**July, 2015**	
Area	198	215	188	(000) HA
Production	729	852	760	(000) MT
MY Imports	2	2	3	(000) MT
MY Exports	380	550	430	(000) MT
Total Consumption	353	295	308	(000) MT
Note: FAS/Sofia estimates				

Barley for Food/Industrial Use: Barley is mainly used for malt production. Over the years malt production has varied and was complemented by imports. Bulgaria is a net importer of malt. Local beer production has been stable with small fluctuations in demand for raw materials (Table 8). In 2015 tentative industry data indicates malt production at about 45-50,000 MT and barley used for this purpose at 65-75,000 MT (based on industry conversion indexes). Imports of malt (HS#1107) grew and in 2015 were 20% more than a year earlier (16,144 MT). FAS/Sofia estimate for barley used for food purposes (malt and other minor products) is at 80,000 MT (60,000 MT-90,000 MT industry estimates).

Table 8. Beer and Malt Production, and Malt Imports 2008-2014

Years	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**
Beer production,000 liters	553,500	498,900	491,800	494,800	521,900	510,500	487,200
Malt production, MT	64,400	46,500	46,000	54,400	50,100	38,600	41,100
Malt Imports, MT	19,692	18,737	13,565	12,265	15,966	19,503	13,450
Source: National Statistical Institute							

Barley for Feed: Lower crop and good export demand have limited feed use. On the other hand, barley prices were attractive, and as a result, feed use increased slightly. Industry estimates for feed use vary from 140,000 MT to 220,000 MT. FAS/Sofia estimate is for 180,000 MT or 8% more than in the previous year.

Trade -WTA data (July - December 2015) and local MinAg monthly bulletins data are shown in Table 9. WTA data for the July-December period MY2015/16 is for exports of 370,000 MT while official MinAg and industry estimates are at 400,000 MT exported by early March. Major export markets remain Saudi Arabia and Libya, and Spain and Romania in the EU. Exports lag behind the previous marketing year due to lower availability and regional competition. Current estimates for MY2015/16 exports are at 400,000 MT to 440,000 MT. FAS/Sofia estimate is for 430,000 MT.

Table 9. Barley Trade, July 2015 - April 2016

Barley	**WTA (July-December 2015)**	**MinAg as of early -April 2016**

Imports	2,986 MT (EU)	4,472 MT (EU)
Exports	372,278 MT Including: 187,947 MT - Saudi Arabia 71,911 MT - Libya 51,314 MT - Romania 18,762 MT – Spain	404,109 MT (101,697 MT to the EU and 298,654 MT to non-EU markets)

Stocks: No extra stocks are likely to be accumulated in MY2015/16. The MinAg tentative data as of April 2016 estimates local consumption at 350,000 MT with about 36,138 MT available in stocks (April, Bulletin #14) either to be exported (in addition to already exported 400,000 MT) and/or for ending stocks.

Corn

Currently there are several key market trends on the market:

- Much lower yields in MY2015/16 as a result of summer drought;
- Depressed market prices, which along with lower yields, lead to small/negative production margins and may discourage plantings in MY2016/17;
- Sluggish export demand lagging behind last year and tough regional competition;
- Increased domestic consumption due to higher use for food (starch) and for industrial use (ethyl alcohol);
- Despite wide variations in MY2015/16 ending stocks estimates, FAS/Sofia projections are for a normal level of carry out stocks.

Corn enjoyed very good interest by farmers and planted areas in MY2015/16 increased by 13%. The country received derogation for the use of neonicotinoids in late April. Abundant soil moisture reserves supported early corn development, however, scorching temperatures and drought in the summer months led to an 32% decline in average yields. Farmers also reported significant variations in yields by regions and by farms. The reduction in the crop is still a matter of estimates with official tentative data at 2.362 MMT to private estimates as high as 2.6 MMT. FAS/Sofia current estimate is for 2.4 MMT which represents an 23% decline when compared to the previous season.

Corn Quality 2015 Crop: The first MinAg official data published in February 2016 (*Corn and Sunflower Situation and Outlook Bulletin*) shows that the volume of analyzed corn samples was 19% of the total production and were not considered fully representative for the entire crop. The results are that 84.3% of the samples fully meet quality standards as follows:

Moisture content: 13.1%±1.4% (compared to 14.6%±1.3% for 2014 crop);
Foreign matters: 2.8%±2% (2.6% ±2% for 2014 crop);
Starch content: 72.9%±0.7% (72.7%±0.7% for 2014 crop);
Hectoliter mass: 69.6 kg/100dm^3±2.5 kg/100dm^3 (71.7 kg/100dm^3±2.1 kg/100 dm^3 for 2014 crop).
Final analysis shows that 92.5% of the samples meet the standards for moisture and foreign matters;

84.3% meet the standards for starch content which is above the respective indexes for 2014 (56.1%) and 2013 (77.9%).

Corn Supply and Demand Balance MY2013/14 – MY 2015/16

Bulgaria	**2013/14**	**2014/15**	**2015/16***	
Marketing Year Begin	**July, 2013**	**July, 2014**	**July, 2015**	
Area	428	408	460	(000) HA
Production	2,739	3,137	2,400	(000) MT
MY Imports	32	57	50	(000) MT
MY Exports	1,879	2,062	1,400	(000) MT
Total Consumption	1,022	1,093	1,082	(000) MT
Note: FAS/Sofia estimates				

Corn for Food: Corn for food is used mainly by the starch manufacturing industry and a small percent is used by food/confectionary industries for corn flour and other minor products. Over the last year, the starch industry has increased its capacity and currently uses the lion's share of the crop. Reportedly, more investments in this industry are planned by large international firms and further expansion is likely in the near future. Also, smaller investments in other types of corn processing for food are underway. FAS/Sofia estimate for corn for food use is currently at 400,000 MT (350,000 MT per the MinAg).

Corn for Industrial Use: Corn is used for bioethanol and for ethyl alcohol (see the wheat section above). It is a preferred raw material over wheat and other grains and is seen as more economically viable. FAS/Sofia estimate for corn for industrial use was revised upward due to the trend in ethyl alcohol production and is currently at 70,000 MT+ for MY2015/16.

Corn for Feed: Corn has been a preferred feed by the poultry industry but often substituted with feed wheat by other livestock sectors due to almost equal prices so far this season. To date, farmers have been reluctant sellers due to expectations for higher prices later in the season. This has affected mainly the feed use since other local consumers (for food) usually have more secured contracts. Similar to wheat, new facilities in the feed industry are likely to stimulate local feed demand in the future. The estimates about feed use vary from 400,000 MT to 564,000 MT (MinAg) up to 650,000 MT (industry sources).

Trade - WTA data is available for the first quarter of MY2015/16. The MinAg monthly bulletins data are shown in Table 10.

WTA data for October-December 2015 is for exports of about 577,000 MT. Reportedly, some early harvested corn was exported in September (88,849 MT). Corn was exported mainly to Western Europe. The MinAg and industry estimates are at 589,000 MT exported by early March 2016. Exports lag behind the previous season due to lower availability, reluctant sales and regional competition. Current estimates for MY2015/16 exports are at 1.2 MMT to 1.67 MMT. FAS/Sofia estimate is for 1.4 MMT. An analytical unit of the MinAg forecasted exports at 1.5 MMT.
MY2014/15 trade data per WTA is shown in Table 10. Bulgarian corn found new destinations such as China (288,000 MT), Ireland (103,000 MT) and New Zealand (76,000 MT). Serbia dominated as a supplier for imports.

The MinAg data for corn exports MY2014/15 shows exports at 2.125 MMT based on crop year starting from September 1. Exports in MY2014/15 were reported record high and 20% above the previous season in volume and 9% more in value. The EU was the main export market with 75% share (1.6 MMT).

Table 10. Corn Trade, MY2015/16 (October 2015 - April 2016) and MY2014/15

MY2015/16	**WTA (October - December 2015)**	**MinAg as of early April 2016**
Imports	6,234 MT (EU)	22,028 MT
Exports	577,009 MT Including: 152,509 MT - Romania 125,756 MT – Spain 57,570 MT - UK 44,000 MT – Germany 31,006 MT - Greece 30,250 MT – The Netherlands 27,000 MT - New Zealand	709,894 MT 638,893 MT to the EU and 71,001 MT to non-EU markets)
MY2014/15	**WTA**	
Imports	57,158 MT Including: 21,318 MT – Serbia 18,893 MT- Romania 8,292 MT - France	
Exports	2,062,447 Including: 505,780 MT- Romania 287,612 MT –China 258,445 MT- Spain 216,163 MT –Greece 160,053 MT- Italy 123,020 MT- Portugal 102,378 MT - Ireland 76,126 MT - New Zealand Note: Per the MinAg data, the total value of exports were at U.S. $410.6 million at an average export price of U.S. $193/MT.	

Stocks: Wide variations in estimates about production and exports have led to the similar range in stocks estimates. Currently, MY2015/16 ending stocks are projected from 100,000 MT to 465,000 MT (MinAg forecast). The MinAg tentative data as of April 2016 shows high beginning stocks for MY2015/16 of 590,000 MT and estimates local consumption at 926,000 MT with about 2.02 MMT available in stocks (April, Bulletin #14) either to be exported (in addition to already exported 710,000 MT) and/or for ending stocks.

Agricultural Policy

In the recent MinAg Annual Report, the authorities reported higher grain storage capacity at 12.8 MMT or 118,000 MT more than a year earlier. Northern Bulgaria has 80% of all storage facilities which account for about 90% of total national storage capacity.

In early February 2016, the MinAg Paying Agency paid the first part of direct subsidies for 2015 for 3.69 MHA at a rate of 83 Euro (U.S. $88/HA). The remaining part (green payment) is likely to be paid in April. In addition, 3 million Euro (U.S. $3.3 million) were paid to cover losses incurred by unfavorable weather conditions in 2015. The losses for grain crops were covered at 50%.

End of Report