

**Voluntary Report** – Voluntary - Public Distribution

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

**Country:** Bulgaria

**Post:** Sofia

**Report Category:** Grain and Feed

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**Report Highlights:**

On October 16, 2020, the Bulgarian Ministry of Agriculture (MinAg) reported the 2020 corn harvest at 91 percent complete with 2.5 million metric tons (MMT), a 15-percent decline from marketing year (MY) 2019/20. Although the reported area harvested was 26 percent higher, average yields were 29 percent lower from last year. Post revises down its estimates for the MY 2020/21 corn crop to 3.0 MMT. The fall 2020 winter grain planting season has been slow due to drought conditions. As of October 15, wheat planting was 57 percent behind last year and barley planting by 50 percent behind.

## **Weather Overview**

Warm and dry summer weather persisted during the first three weeks of September, the warmest on record since 1979. Despite the generally dry conditions, limited precipitation during the first five days of September and after October 5 reached 60-100 mm in northern Bulgaria, while southern regions received 40-70 mm. The dry weather assisted with fall harvest in September, although the October rains led to harvest delays. Although the dry weather delayed winter grain planting, soil moisture conditions improved in October (see Maps 1-3, [Crop Explorer](#) and [Bulgaria data](#)).

## **MY 2021/22 Forecast**

While dry conditions during the fall have delayed winter grain planting, farmers are keen to increase the area planted for winter wheat and barley due to attractive prices. Despite their efforts, winter wheat and barley planting are 57 percent and 50 percent, respectively, behind last year's pace. Although October rainfall supported winter crop development, sub-surface soil moisture remains low, especially in major production areas. Late planting and low soil moisture presuppose a negative impact on the yield potential.

## **MY 2020/21 Production Estimates**

There are no changes in Post estimates for wheat and barley crops at 5.0 MMT and 570,000 MT, respectively (Table 1).

**Corn:** According to MinAg, this year's corn area planted reached 575,000 hectares (HA), a record high. Average yields to date are 4.86 MT/HA, 29 percent below last season. Summer heat and drought negatively affected the crop, especially in the major northeastern production region. Farmers in northcentral and northwestern Bulgaria reported higher yields, as these areas saw more rainfall than other regions. Private production estimates currently vary from 2.5 MMT to 3.0 MMT. According to Eurostat, Bulgaria's corn crop is 2.82 MMT. The EU Crop Monitoring System estimates the average corn yield in Bulgaria at 5.0 MT/HA ([MARS Bulletin](#) #28, No 10, October 2020) which translates in production of 2.87 MMT. Currently, Post estimates the corn yield at 5.2 MT/HA and production at 3.0 MMT.

## **MY 2020/21 Trade Estimates**

Bulgarian grain trading has been slower than the previous season (Table 2). The fall drought and challenging planting, lower crop availability, and growing prices have made farmers reluctant to sell. As per MinAg's weekly bulletins, late October milling wheat prices and corn prices increased by 16 percent and 19 percent, respectively, over late October in 2019.

## **MY 2019/20 Final Trade Data**

**Wheat:** According to Eurostat (Trade Data Monitor (TDM) based on Eurostat), wheat and product exports during MY 2019/20 were 5.11 MMT (in wheat equivalent), mostly to Spain, Greece, Portugal, Romania, South Korea, and Indonesia (Table 3). This marks a 21-percent increase in wheat exports over MY 2018/19 (4.2 MMT).

**Barley:** According to Eurostat/TDM data, exports were 321,559 MMT mainly to Libya, Saudi Arabia, Greece, and Spain, a 59-percent increase over MY 2018/19 (202,000 MT).

**Corn:** The latest Eurostat/TDM data for corn exports in MY 2019/20 through July show 2.42 MMT, a 19-percent increase over the corresponding period in MY 2018/19 (2.04 MMT). Post maintains its forecast for corn exports in MY 2019/20 at 2.6 MMT (Table 3).

### **Agricultural Policy**

The summer-fall drought reduced average yields and overall declines in production and many farmers appealed for a state aid. Government officials allocated funds for domestic support for grain farmers under two programs, as follows:

- State aid for farmers suffering from natural disasters in 2020, budget of 5.0 million leva (€2.55 million). The program supports farmers with 100 percent loss in yields due to drought, freeze, hail or frost. The compensation for grain farmers covers up to 20 percent of their losses. Farmers who have no insurance will receive half of the due compensation.
- *De minimis* for summer dryness for farmers in select regions (Bourgas, Varna, Dobrich, Sliven, Silistra, Shoumen, Yambol). Eligible farmers are those who have over 30 percent decline in grain yields.

### **Appendix:**

**Table 1. FAS Sofia Grain Production Estimates MY 2020/21, November 2020**

<b>Crops</b>	<b>Area Harvested, HA</b>	<b>Production, MT</b>
Wheat	1.17 million	5.0 million
Barley	138,000	570,000
Corn	575,000	3.0 million

**Table 2: MY 2020/21 Trade in Major Grain Crops, as of October 26, 2020**

<b>Types of Grains</b>	<b>Imports, MT</b>	<b>Exports, MT</b>
Wheat	9,400 MT	982,754 MT (including 256,505 MT to non-EU markets);
Barley	0 MT	124,138 MT (including 115,492 MT to non-EU markets);
Corn*	179 MT	264,444 MT (including 162,995 MT to non-EU countries)

Source: MinAg Weekly Grain Market Bulletins 2020.

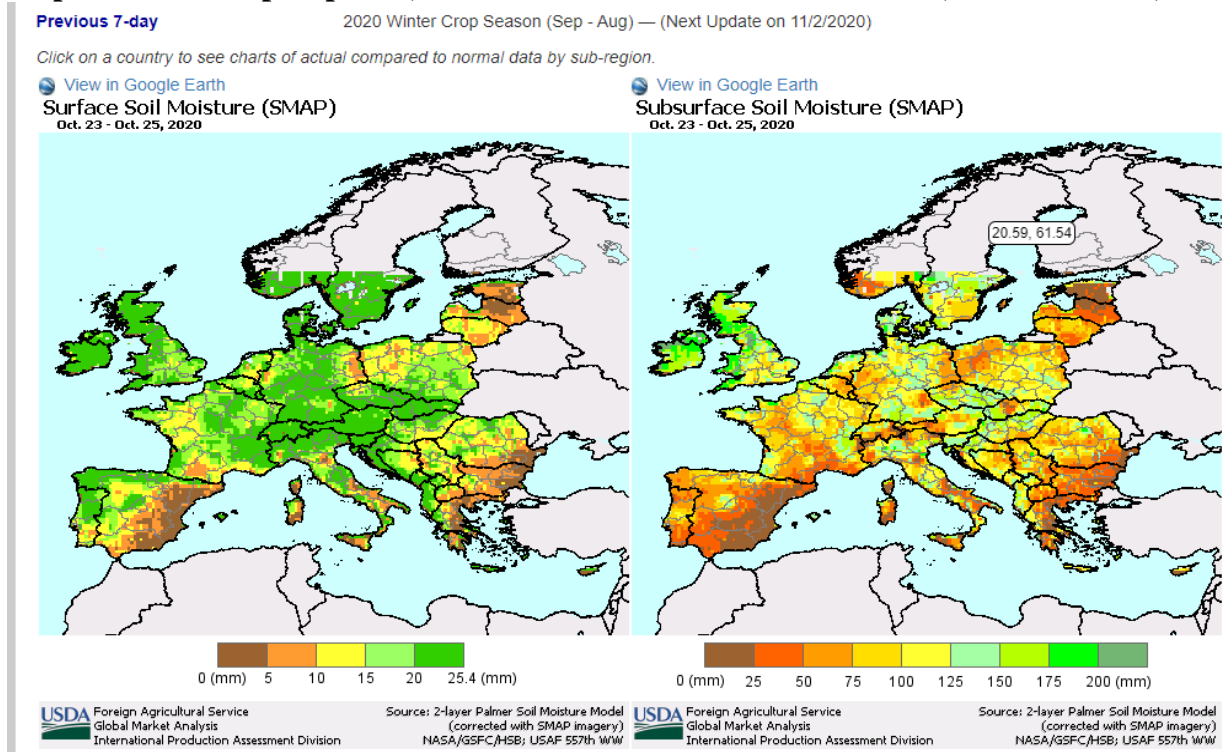
\*Note: The Bulgarian MinAg uses September 1-August 31 as a MY for corn. Trade data refers to 2020 corn crop traded since September 1, 2020

**Table 3: MY 2019/20 Trade in Major Grain Crops**

Types of Grains	Imports, MT	Exports, MT
Wheat (in WGE)	89,441 MT of which 81,432 MT imported from the EU	5.11 MMT of which 2.76 MT exported to the EU countries. 2.35 MMT exported to non-EU markets.
Barley	1,547 MT, all imported from the EU	321,559 MT of which 118,000 MT exported to the EU countries. 203,559 MT exported to non-EU markets;
Corn (trade data as of the end of July)	18,635 MT of which 17,242 MT imported from the EU	2.42 MMT of which 1.48 MMT exported to the EU countries 959,810 MT exported to non-EU countries

Source: Eurostat/Trade Data Monitor

**Map 1: USDA Crop Explorer, Surface and Subsurface Soil Moisture, October 23-25, 2020**



## Map 2: Europe, Percent of Soil Moisture, October 23-25, 2020

[Previous 7-day](#)

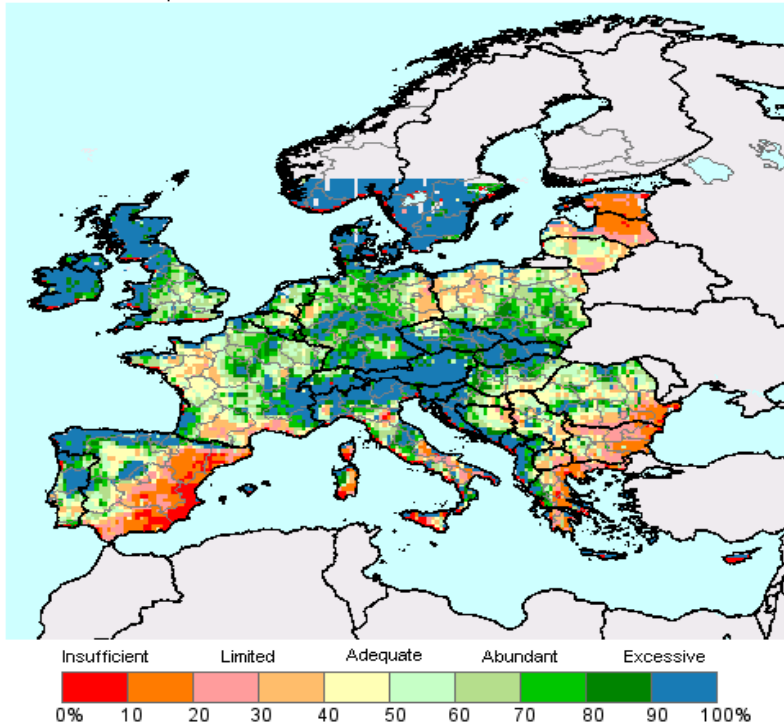
2020 Winter Crop Season (Sep - Aug) —

*Click on a country to see charts of actual compared to normal data by sub-region.*

[View in Google Earth](#)

### Percent Soil Moisture (SMAP)

Oct. 23 - Oct. 25, 2020



**USDA** Foreign Agricultural Service  
Global Market Analysis  
International Production Assessment Division

Source: 2-layer Palmer Soil Moisture Model  
(corrected with SMAP imagery)  
NASA/GSFC/HSB; USAF 557th WW

### Map 3: Europe, Precipitation and Percent of Normal Precipitation, October 2020

[Previous 30-day](#)

2020 Winter Crop Season (Sep - Aug) — (Next Update on 12/1/2020)

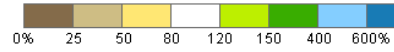
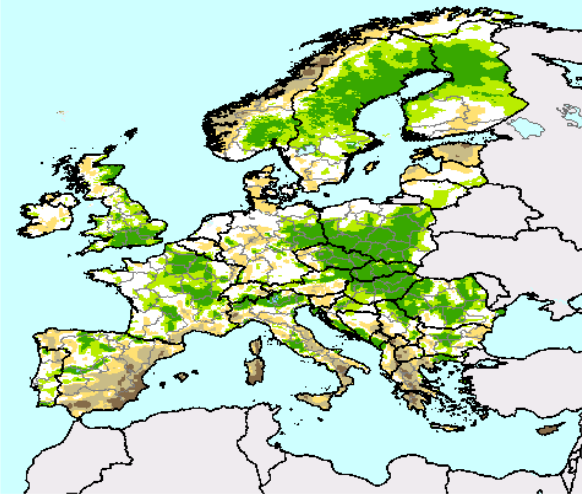
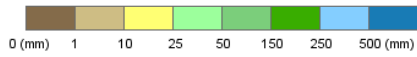
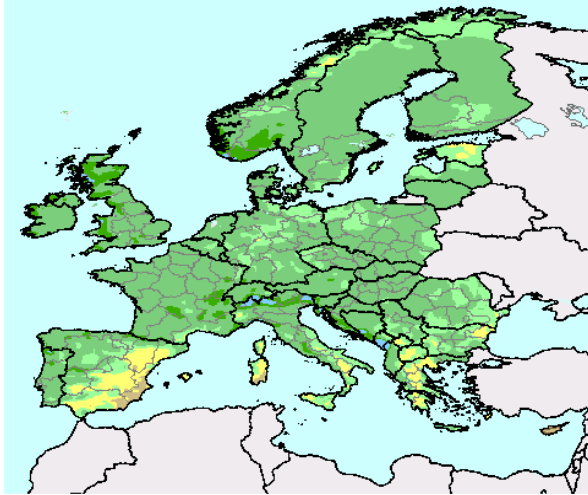
*Click on a country to see charts of actual compared to normal data by sub-region.*

[View in Google Earth](#)

**Precipitation 1-Month (USAF)**  
Oct. 1 - 31, 2020

[View in Google Earth](#)

**Percent of Normal Precipitation 1-Month (USAF)**  
Oct. 1 - 31, 2020



**USDA** Foreign Agricultural Service  
Global Market Analysis  
International Production Assessment Division

Source: 10km United States Air Force  
557th Weather Wing  
<http://www.557weatherwing.af.mil/>

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#### Attachments:

No Attachments.