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

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### **Report Highlights:**

In MY 2024/25, EU grain production is anticipated to exceed the previous season's levels and amount to 274 MMT. Excessive rain currently prevails in the EU's northwest, hampering winter grains development and impeding spring planting operations. At the same time, early spring precipitations improved soil moisture in those regions where dry conditions were initially reported. Russian and Ukrainian grains continue to pose fierce competition in third country markets, hindering EU grain exporting capabilities. However, competitively priced grains continue to go to EU grain-deficient Member States, helping to improve the livestock sector's production margins, particularly for the poultry sector .

**Disclaimer:** This report presents the first outlook for grain and feed, and Production, Supply and Distribution (PSD) forecasts for the Marketing Year (MY) 2024/25. Unless stated otherwise, data in this report is based on the views of Foreign Agricultural Service analysts in the EU and is not official USDA data.

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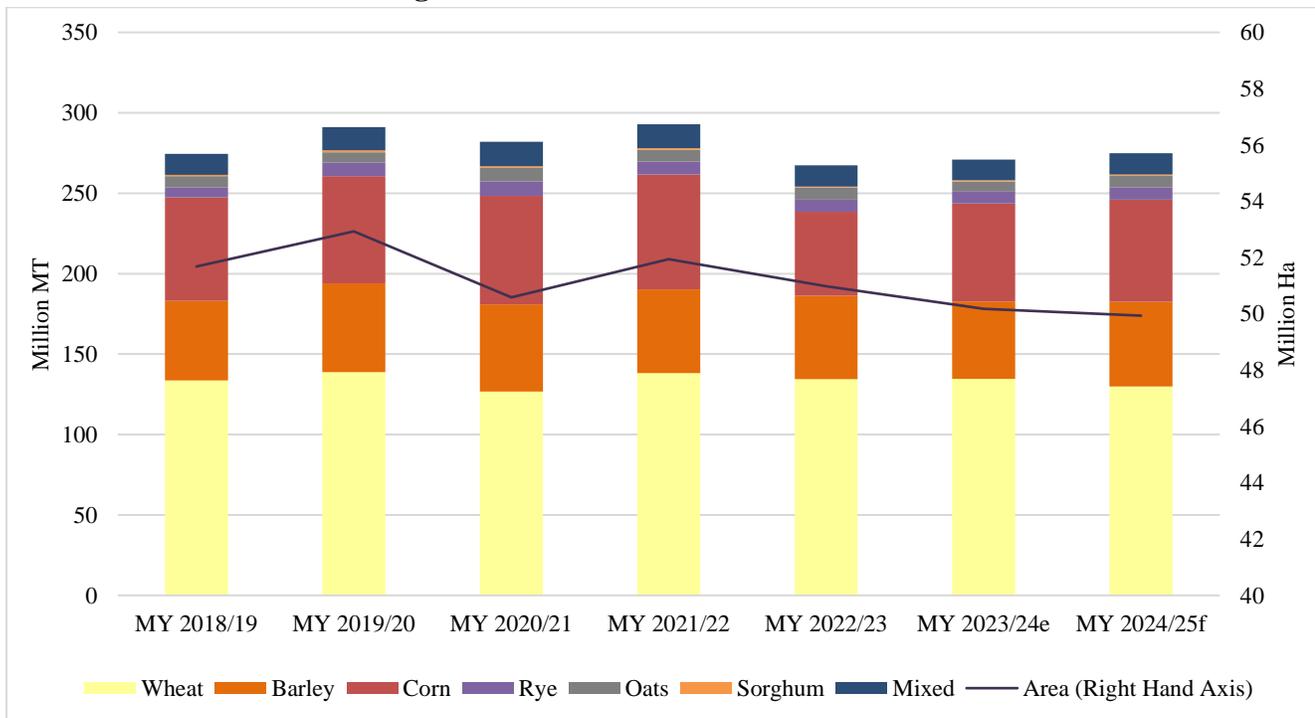
## Executive Summary

**Table 1. Production, Supply and Distribution - Total Grains**

Total Grains <sup>1</sup>	2022/2023		2023/2024		2024/2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
<b>European Union</b>						
Area Harvested (1000 HA)	50,979	50,973	50,170	50,204		49,897
Beginning Stocks (1000 MT)	32,437	32,437	30,958	31,078		32,168
Production (1000 MT)	267,258	267,405	270,115	271,013		274,850
MY Imports (1000 MT)	37,702	37,698	36,650	35,082		29,692
TY Imports (1000 MT)	37,856	37,845	36,550	34,960		29,760
TY Imp. from U.S. (1000 MT)	555	444				
Total Supply (1000 MT)	337,397	337,540	337,723	337,173		336,710
MY Exports (1000 MT)	46,186	46,187	44,995	43,370		40,917
TY Exports (1000 MT)	46,137	46,137	45,185	43,681		40,933
Feed and Residual (1000 MT)	156,530	158,539	157,600	158,124		162,720
FSI Consumption (1000 MT)	103,723	101,736	104,673	103,511		103,863
Total Consumption (1000 MT)	260,253	260,275	262,273	261,635		266,583
Ending Stocks (1000 MT)	30,958	31,078	30,455	32,168		29,210
Total Distribution (1000 MT)	337,397	337,540	337,723	337,173		336,710

Source: FAS EU Posts.

**Figure 1. EU Grain Area and Production**



Source: FAS EU Post estimates based on Member State statistical sources.

<sup>1</sup> "Total grains" is the sum of wheat, barley, corn, rye, sorghum, oats, and mixed grains.

Area planted to grains in the European Union (EU) in MY 2024/25 is expected to amount to 49.9 million Hectares (Ha), down from the 50.2 million Ha planted in MY 2023/24. Heavy rains after mid-October, most notably in northwestern EU regions, resulted in waterlogged fields, impeded late winter grain plantings, and in some instances caused damage in early planted grains. The consecutive years of drought, particularly in south and central EU, have induced changes in the crop structure, ultimately leading to an expansion of more water-efficient winter-grain plantings. Conversely, the adverse conditions for planting in the fall in the EU's northern Member States has pushed down winter grains planted area in favor of spring crops such as barley, oats, and corn.<sup>2</sup> Germany, France, and to a lesser extent other EU Member States such as Italy, Hungary, Ireland, Slovakia, and Croatia have seen their total grains area reduced compared to the previous season. On the contrary, total grain area projections are expected to expand in Poland, Romania, Spain, and Denmark. For the third consecutive year, to soften the continuing impacts of Russia's invasion of Ukraine on EU agricultural markets and in response to farmer protests, the European Commission<sup>3</sup> offered concessions to farmers regarding requirements on leaving land fallow or rotating crops, which ultimately increased farmers' flexibility for planting decisions, particularly in the case of spring crops.

Overall grain production in the EU is expected to expand in MY 2024/25 and reach 274.8 MMT, up from the 271 MMT registered in MY 2023/24. The increase is most prominently driven by the production recovery projected for Spain and the Nordic countries (Denmark, Sweden, and Finland), where grain production collapsed in MY 2023/24. Improved yields in Romania, the EU's fourth largest grain producer,<sup>4</sup> should also contribute to the EU grain crop recovery, provided that crops develop under average conditions. However, a significant reduction in total grains output is anticipated for the bloc's larger grain producers, France, and Germany, and to a much lesser extent, in Poland, Hungary, Slovakia, and Bulgaria.

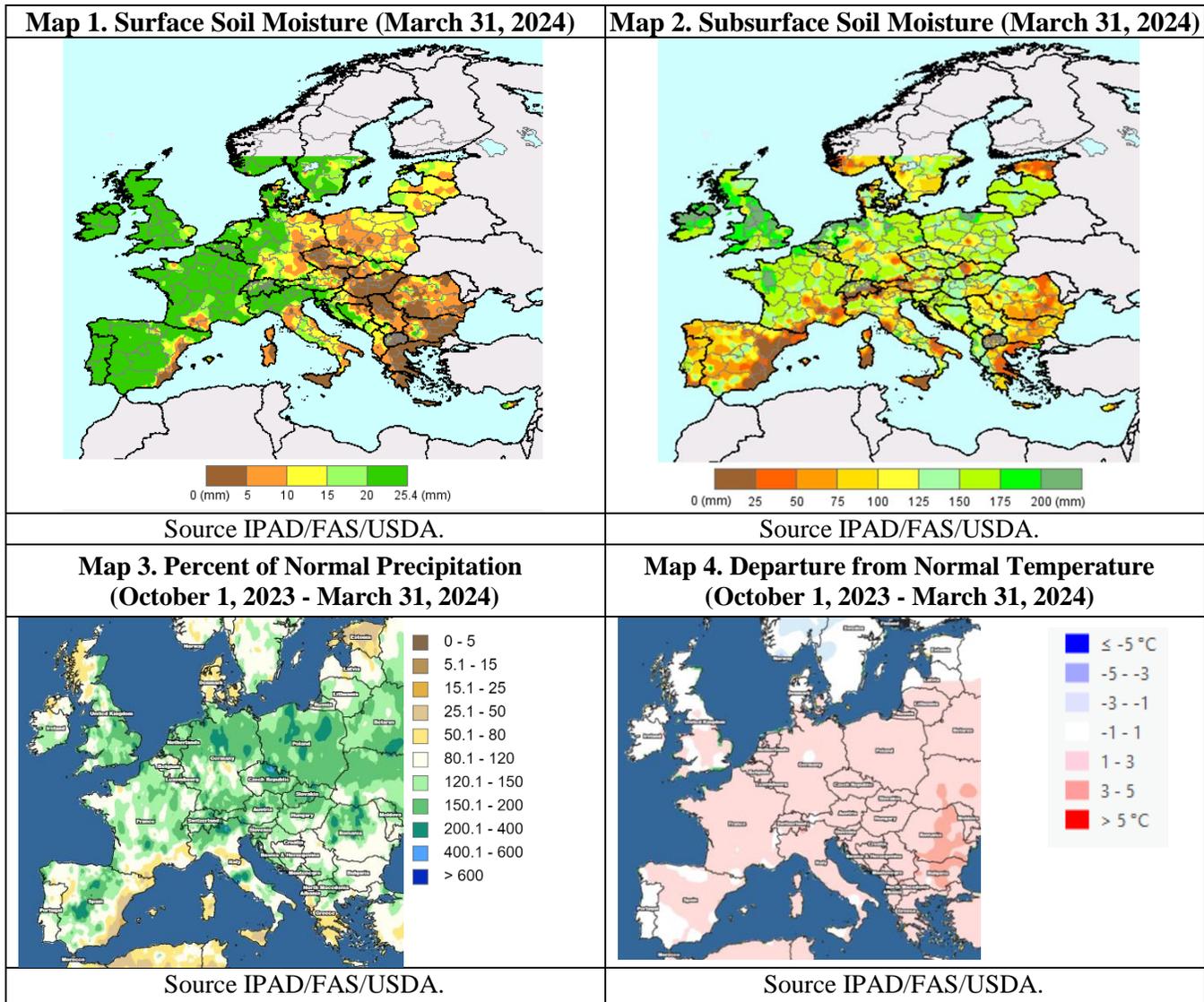
Conflicting forces will drive agricultural input use in MY 2024/25. The reduction in [EU agricultural input prices](#), although still not at pre-Ukraine war levels, could contribute to an adequate use of inputs. However, the current steeper decline in commodity than in input prices may disincentivize the use of fertilizers and/or plant protection products. Alternately, it may also favor plantings of less input intensive spring crops like sunflower to save in inputs costs in an attempt to maintain crop margins. Moreover, many fields in the EU's northwest with excessive soil moisture were inaccessible for fertilizer application in early spring.

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<sup>2</sup> Information regarding crop calendars for EU Grain and Oilseeds production can be found in the [link](#).

<sup>3</sup> Additional information regarding EU agricultural trade policy with Ukraine and farmers' protests can be found in this report's [Policy](#) section.

<sup>4</sup> After France, Germany, and Poland.



### EU Member State Grain Crop Situation Outlook

In MY 2024/25, winter grains in France have been impacted by excessive precipitation since the fall of 2023. This not only affected winter plantings which, in some regions such as northern France, were delayed by as much as six weeks, but also increased the pressure from pest infestation and fungal-related diseases, in a context of warmer temperatures and waterlogged fields. A small amount of the area planted to winter crops may need to be tilled over and planted to spring crops such as corn or sunflower. The wet weather also delayed spring barley plantings. On a positive note, the excessive rainfall has replenished most of the underground water reservoirs in France, which could ultimately support a good corn crop, even if the summer is drier than average.

Conditions for plantings of winter grains in Germany were not optimal. Particularly in northern Germany, alluvial soil fields were inaccessible due to heavy rains after mid-October. Winter grains plantings were carried out with delays, after crops such as potatoes or sugar beets were harvested. Germination and early plant development was good and winter kill was absent. Precipitation over the winter was higher than in the previous years and the country's soil moisture has been restored. On the downside, some fields are still not accessible, which prevents farmers from applying fertilizers and preparing fields for spring planting.

Warm and sunny weather combined with abundant rainfall created good conditions for field work in Poland. In the first half of November, warmer air and soil temperatures resulted in good conditions for emergence, growth, and development of late-sown winter grains. No winterkills were recorded and weather conditions in March, with plenty of rainfall and good soil moisture, were favorable for winter grains growth. However, the precipitation preempted farmers from carrying out soil preparation and hence delayed spring planting operations. In the Baltic countries (Latvia, Estonia, Lithuania), rains eased off during the last days of February and the beginning of March. Given the good soil moisture levels, mild temperatures, and the absence of cold snaps or winterkills, grain output harvests are expected to increase sharply compared with 2023 levels.

Well above-average precipitation since October 2023 led to flooding in many regions of Belgium and The Netherlands, which prompted farmers to consider alternatives to winter grains, such as corn, as many plots could not be sown on time. For the second consecutive year, winter grains planting in Ireland were hampered by the excessive moisture, especially in the south. However, spring planted areas may still partially compensate for the decline, provided sufficient spring seeds are available. The Nordic countries (Denmark, Finland, and Sweden) saw winter barley reduced due to the abundant rainfall during the fall in 2023, although this reduction is projected to be countered by larger spring barley plantings. If spring conditions allow, yields are projected to bounce back from the lows registered in the previous season.

Fall in Hungary was characterized by mild and summery weather, while drought in September and October slowed down crop emergence. However, heavy rains from late October through November improved soil moisture. The spring-like weather was followed by cold snaps in January, with no notable damage to crops. The first half of February was also warmer than usual, disrupting the dormant phase of vegetation and increasing the risk of spring frost damage. After three consecutive years of drought and warm temperatures pushing yields down, early spring weather is milder than usual and upper soil layers are saturated or oversaturated in some instances.

The highest temperatures on record in Austria were registered in 2023. Early fall grain planting operations were carried out uneventfully, but late plantings were further delayed by precipitation. The warmer than average temperatures recorded in winter may ultimately increase pest pressure and the risk of late frosts, which could reduce final yields in a crop that developed ahead of schedule. In previous years, Austria faced rather dry conditions in spring, which generally supported farmer decisions to increase winter plantings at the expense of spring plantings to improve use of the winter soil moisture. However, the wet conditions in late fall and winter did not allow for all planned winter wheat plantings. Slovenia, while a small contributor to the overall EU grain production, reported in 2023 the third wettest year on record, marked by heavy floods registered in August. This resulted in wet conditions delaying planting operations. Nevertheless, despite the above average temperatures, winter grains are so far reportedly in good condition.

In Czechia and Slovakia, grains were planted in dry soil conditions. Fall and winter have been marked by unusually warm temperatures and above-average precipitation. In this region, overgrown winter crops coexist with uneven and well-established winter grain crops. Early December snow episodes resulted in protection against frost and allowed crops to harden off. However, frosts hit the crops at the end of January in the absence of snow cover, which posed a threat to the weakest plants. The combination of frost and waterlogging conditions (mainly in Slovakia) may ultimately hamper grain crops yield potential.

Planting operations in Romania were delayed due to either dryness or abundant rains, depending on the region. Abundant precipitation took place in the west of the country, whereas limited rainfall was available in Romania's south and south-east. Some planting occurred even in December, as working the land was very difficult because of dryness. Recent soil moisture maps indicate a deficit in the eastern and southern areas but show favorable water accumulation in the west and central areas. Dry planting conditions for winter grains prevailed in Bulgaria. Conversely, despite the delays, the country managed to expand its winter grains plantings. Additional precipitation is necessary to secure a sizeable crop.

Despite the initially dry conditions in fall, good precipitation levels registered in early spring have significantly improved soil moisture in Italy. Nevertheless, additional rainfall is needed in southern Italy to ensure proper crop development. Winter grains growing conditions in the country's north and central regions are satisfactory. Some areas in northeast Greece experienced drought-like conditions with little rain and above average temperatures. Excessive precipitation and soil moisture in Croatia pushed winter grain plantings operations well into November. Winter grains developed under mild temperatures except for a cold snap in January that reached minus 10 degrees Celsius. In absence of snow cover, the impact on crops remains to be seen. However, for the moment, average winter grains crops are projected in these two EU Member States.

Fall precipitations helped to restore soil moisture, allowing farmers to carry out soil preparation and planting operations on time in Spain. Fall and winter precipitation put an end to the previous season's drought in the country's northwest and additional precipitation in early spring in the country's southeast contributed to restored soil moisture and water dam storage. Assuming normal spring conditions, Spain's grains output should bounce back to average levels, after hitting historically poor results in MY 2023/24. Corn is Portugal's main grain in terms of area and production. Virtually all grain-corn is grown under irrigation. Current water storage levels should allow the country to maximize corn plantings. However, eroding crop margins may disincentive farmers from planting corn in favor of other more profitable crops such as tomatoes for processing or rice.

### **A Recovery in EU Feed Grains Demand Anticipated**

In MY 2024/25, the collapse of grain prices combined with a stable demand for animal products, along with good profits for livestock producers, should translate to a recovery in feed grains demand, which is projected to amount to 162.7 MMT. The outlook for cattle feed consumption is stagnant in a context of inflation impacts and sluggish demand for beef and dairy products, as well as larger forage availability for extensive breeding systems. Conversely, poultry meat and pork are expected to absorb the animal protein demand and grow marginally in MY 2024/25, thus driving the increase of feed grains consumption.<sup>5</sup>

Corn dominates the EU's feed market, accounting for well-over one third of MY 2024/25 feed grain demand projections (Figure 2). However, in MY 2024/25 the larger domestic availability of wheat resulting from high beginning stocks, and the return to average wheat and barley production, is expected to reduce the space for corn in the feed formula. Moreover, the uncertainty surrounding soybean meal's future competitiveness under the EU Deforestation-free Supply Chain Regulation (EUDR),<sup>6</sup> which is currently scheduled to enter into force at the end of 2024, may serve as an additional incentive for increased wheat share in the EU's feed composition, along with oilseed meals, other than soybean meal, as they remain out of scope of EUDR.

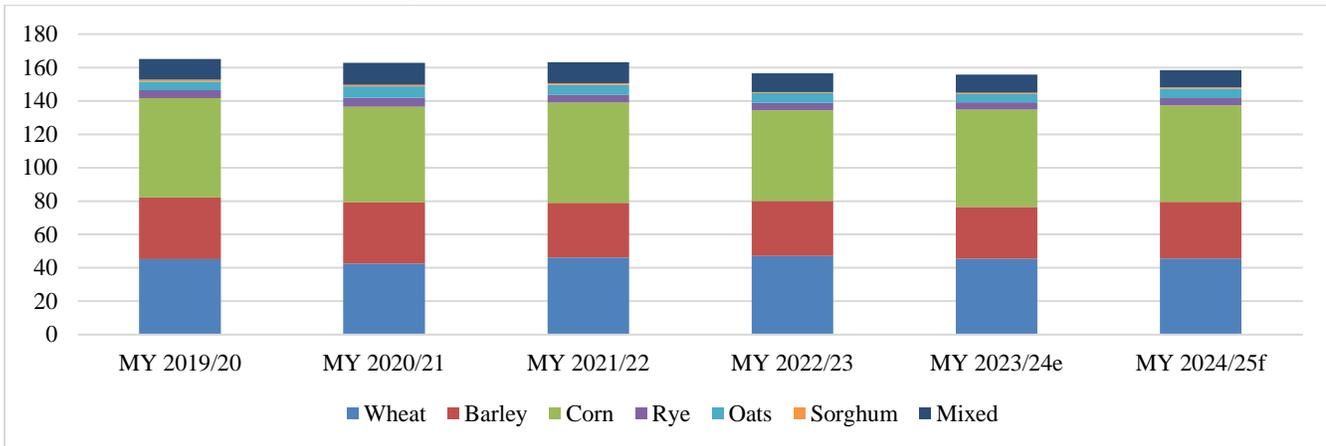
Nevertheless, the feed formula varies greatly across different EU Member States depending on domestic availability of grains (Figure 2) and the type of feed production (Figure 3). In grain-deficient Member States with a large monogastric-feeds demand, such as Spain, The Netherlands, or Italy, or in a large producer like Romania, the share of corn as a feed ingredient is higher. Conversely, in France and Germany, wheat represents a large part of the grain used for feed. In the case of Denmark and Spain, due to domestic availability, barley represents a large part of the formula, whereas in Poland, the EU largest mixed grain producing Member States also leads consumption of mixed grains.

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<sup>5</sup> Additional information regarding animal sector trends can be consulted in the most recent [EU Livestock](#), [Poultry](#) and [Dairy](#) GAIN reports.

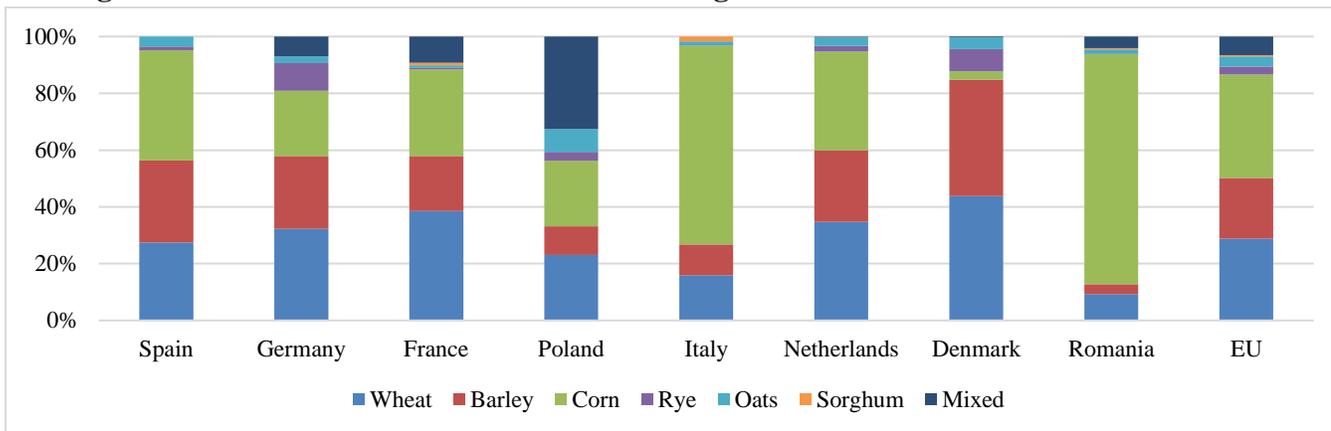
<sup>6</sup> Additional information regarding EUDR can be found in this report's [Policy](#) section.

**Figure 2. Feed Grain Use in the EU (MMT)**



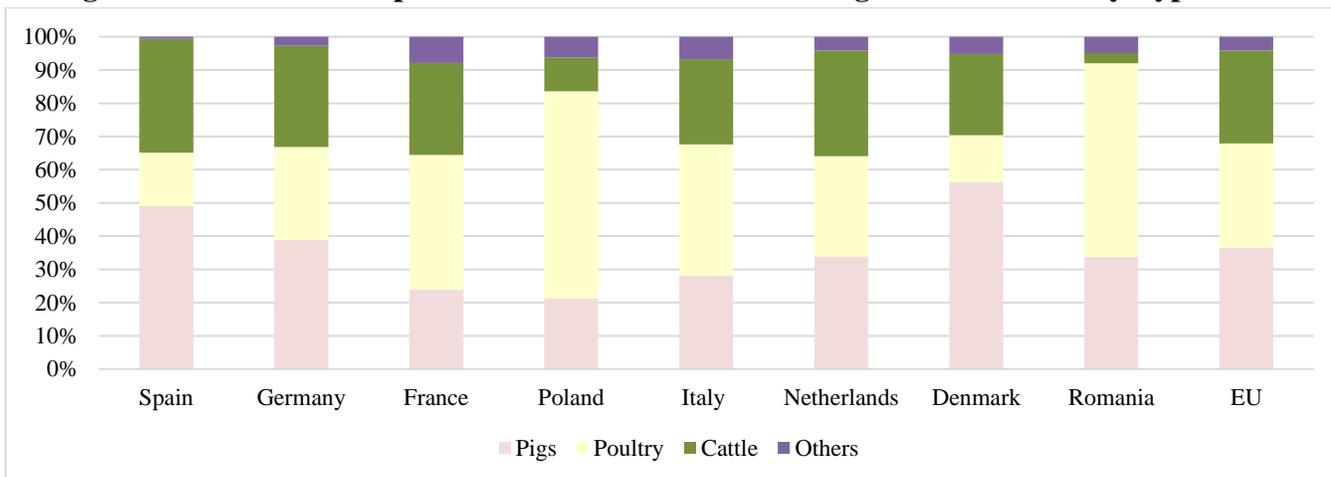
Source: FAS EU Posts estimates.

**Figure 3. Preferred Feed Grain in the EU's Largest Feed Markets - MY 2024/25 Forecast**



Source: FAS EU Posts estimates.

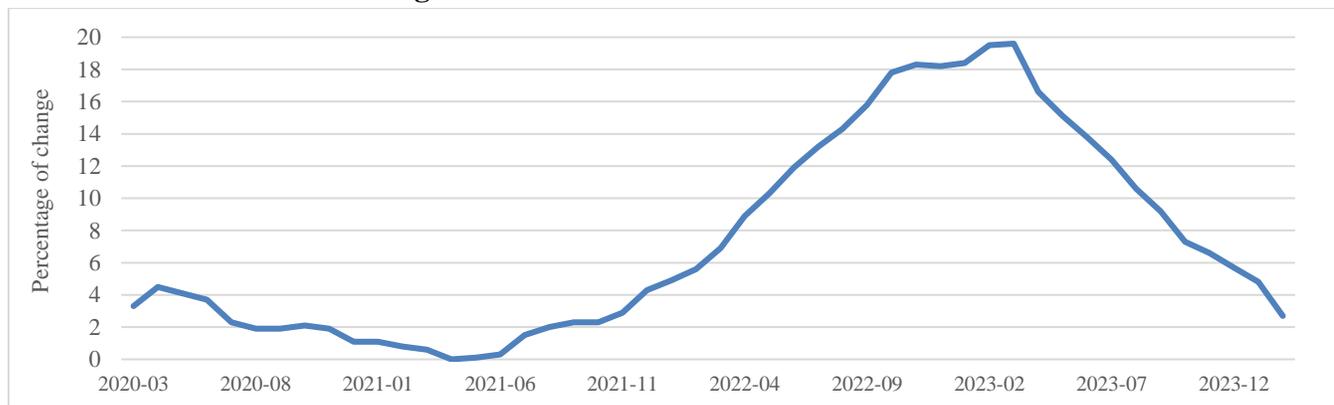
**Figure 4. Industrial Compound Feed in EU Main Producing Member States by Type - 2022**



Source: FAS EU based on [FEFAC data](#).

MY 2024/25 is expected to witness a recovery in Food, Seed and Industrial (FSI) uses. While food prices remain high, domestic food demand began to reactivate in the second half of 2023 in response to the softening of food inflation (Figure 5) and a rebound in tourism activity (Figure 6), bringing larger opportunities for grain-based product consumption in the Hotels, Restaurants, and Institutions (HRI) channel. Tourism in the EU has fully recovered to pre-pandemic levels. In 2023, the number of nights spent in EU tourist accommodation grew by 6.1 percent compared to 2022 and by 1.4 percent compared to 2019 levels.

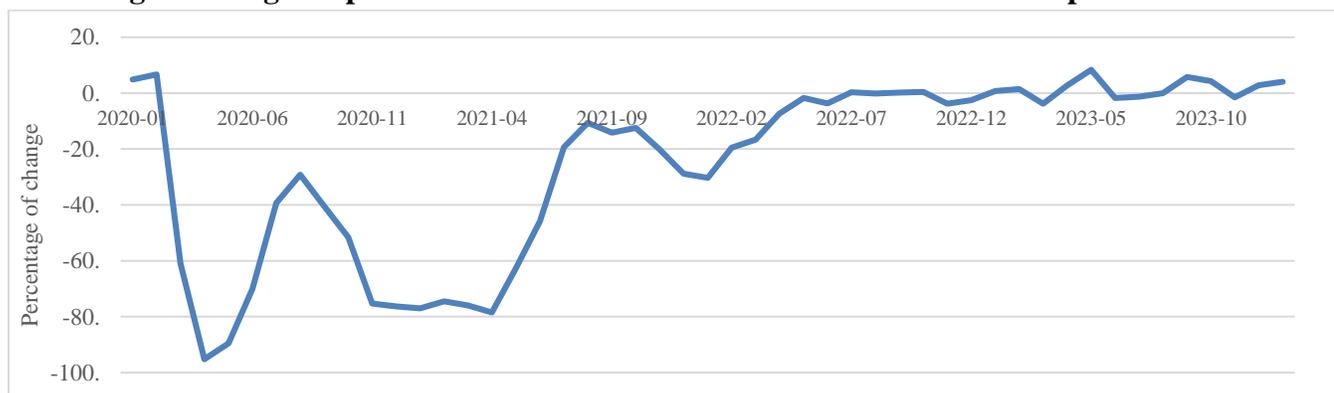
**Figure 5. EU Food Consumer Price Index\***



Source: FAS EU based on [Food price monitoring tool \(europa.eu\)](https://europa.eu/food/price/food-price-monitoring-tool) data.

\*12 months- Percentage of change.

**Figure 6. Nights Spent in EU Tourism Accommodation 2020-2023 Compared to 2019**



Source: FAS EU based on [Eurostat \(europa.eu\)](https://europa.eu/eurostat) data.

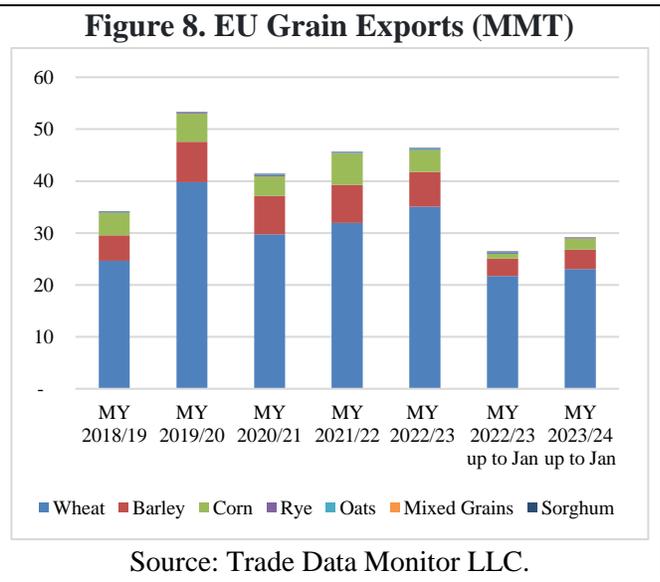
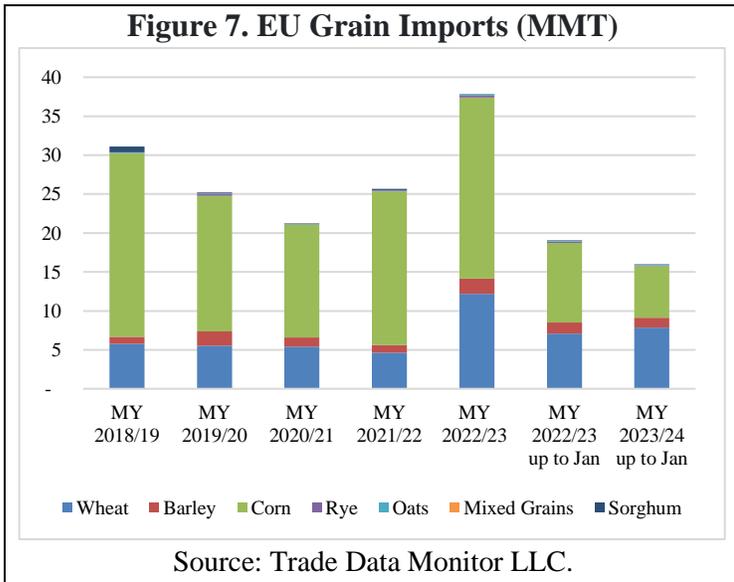
The installation of increased starch processing capacity in Romania and expanded industrial capacity use in Hungary and Bulgaria are the main drivers behind anticipated growth in industrial uses of grains in MY 2024/25. Another factor behind the increased industrial use of grains is the substitution of sugar beets in ethanol production.<sup>7</sup>

<sup>7</sup>Additional information regarding EU’s Bioethanol Sector is available in the latest [EU Biofuels Report](#) and in the latest [Biofuel Mandates in the EU by Member State](#).

EU grain import needs in MY 2024/25 are projected down, provided average weather conditions allow for a production recovery. At the same time, lower grain exports and stocks are projected for MY 2024/25 in a context of a recovery in the internal grain demand for feed, food, seed, and industrial uses.

Already in MY 2023/24, the combination of expensive soybean meal prices resulting from a reduced supply from Argentina and a downward trend in prices created by the fierce competition from Russian and Ukraine wheat in both EU and third country markets, boosted the bloc’s imports of Ukrainian feed wheat at the expense of corn imports and the EU’s wheat export potential. For grain-deficient countries (namely Spain, The Netherlands, and Portugal), competitively priced grain imports are allowing for improved margins and livestock production recovery as of MY 2024/25. For Ukraine-bordering and grain export-oriented EU Member States (most prominently France, Germany, Romania, Bulgaria, Hungary, and Poland), the drop in grain prices slowed the pace of exports, fueled farmer protests, and led to grains stock-building in the EU in MY 2023/24.

Despite the discontinuation of the United Nations’ Black Sea Initiative, Ukrainian grains exports from the three ports in the region of Odessa<sup>8</sup> have operated uneventfully to date. Bulk-freight costs increased in response to the attacks in the Red Sea since mid-November 2023, adding downwards pressure to EU grain prices, as diverting shipments around the Cape of Good Hope to avoid the Suez Canal drastically increased both delivery times and shipping cost to Asian export markets.



<sup>8</sup> Ports of Odessa, Chornomorsk, and Pivdennyi.

Section I. Wheat

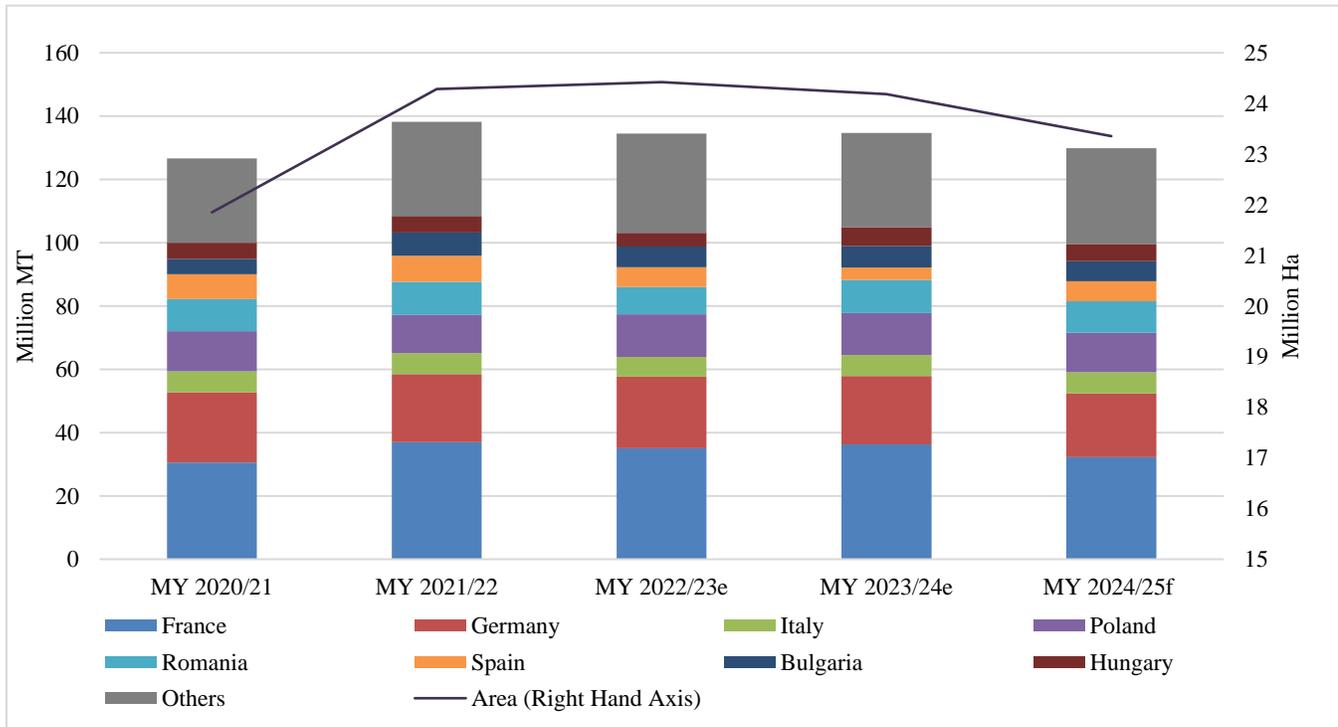
Table 2. Production, Supply and Distribution – Wheat

Wheat Market Year Begins	2022/2023		2023/2024		2024/2025	
	Jul 2022		Jul 2023		Jul 2024	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	24,402	24,420	24,200	24,180		23,360
Beginning Stocks (1000 MT)	13,631	13,631	16,038	15,301		17,551
Production (1000 MT)	134,293	134,450	134,150	134,630		129,850
MY Imports (1000 MT)	12,193	12,199	13,500	12,500		9,000
TY Imports (1000 MT)	12,193	12,199	13,500	12,500		9,000
TY Imp. from U.S. (1000 MT)	381	257				
Total Supply (1000 MT)	160,117	160,280	163,688	162,431		156,401
MY Exports (1000 MT)	35,079	35,083	34,500	33,600		30,300
TY Exports (1000 MT)	35,079	35,083	34,500	33,600		30,300
Feed and Residual (1000 MT)	45,000	46,516	48,000	47,500		48,000
FSI Consumption (1000 MT)	64,000	63,380	64,500	63,780		64,020
Total Consumption (1000 MT)	109,000	109,896	112,500	111,280		112,020
Ending Stocks (1000 MT)	16,038	15,301	16,688	17,551		14,081
Total Distribution (1000 MT)	160,117	160,280	163,688	162,431		156,401
Yield (MT/HA)	5.5034	5.5057	5.5434	5.5678		5.5586

(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

Source: FAS EU Posts.

Figure 7. EU Wheat Area and Production



Source: FAS EU Posts estimates based on MS statistical sources.

EU wheat area is expected to decrease slightly in MY 2024/25. French, German, Hungarian, Romanian, and Polish wheat farmers are anticipated to plant less wheat, while producers in Denmark and Italy are expected to expand their wheat plantings.

The unfavorable planting conditions, especially in France, combined with the smaller area planted to wheat is expected to drive EU wheat production down to 129.85 MMT in MY 2024/25. Excessive rains in Western Europe, mostly in France and to a lesser extent in Belgium and Germany, and dry conditions in eastern Romania and Bulgaria resulted in less-than-ideal conditions and delayed planting operations for winter wheat in most growing regions, which may ultimately limit wheat yielding potential. On the other hand, Spanish wheat farmers benefited from abundant early spring precipitations that put an end to the drought that slashed yields in the MY 2023/24 crop, and the MY 2024/25 crop is now in average condition. At the beginning of spring, soil moisture is favorable and underground water reserves have been replenished across the EU, except for Bulgaria and east Romania, where soil dryness persists. Warmer than usual temperatures in the second half of winter, with little or no presence of winterkill, are also likely to boost pest infestations and fungal diseases. Farmers may need to spray more fungicides and insecticides to preserve the phytosanitary status of the crop. Weather conditions until harvest can still play a significant role in determining final EU wheat production volumes. The combination of a warmer than average temperature and the potential limited use of fertilizers and phytosanitary treatments in a context of poor crop margins can negatively affect grains quality and protein content, which is particularly worrisome for food grade wheat.

Within FSI, both food and industrial wheat uses in the EU are expected to increase slightly in MY 2024/25. Wheat uses for biofuel purposes are anticipated to increase marginally in MY 2024/25 as, contrary to what occurred in MY 2022/23 and the first half of MY 2023/24, lower wheat prices are likely to support the demand for wheat feedstocks against other feedstocks. Likewise, food uses of wheat are expected to remain stable in MY 2023/24 and MY 2024/25, as the HRI sector resumes pre-pandemic activity levels. Similarly, the population growth in most EU Member States, but especially in Poland, Germany, and Czechia, fueled by several million refugees coming from Ukraine since February 2022, is now plateauing. Moreover, the decline in wheat prices since 2023 has eased the inflationary pressure on wheat-based food products. EU feed use of wheat in MY 2024/25 is forecasted to rise slightly from MY 2023/24. Lower expected prices will support the competitiveness of wheat in feed rations, despite a stagnant cattle feed demand, given the projected recovery in poultry and to a lesser extent swine feed demand.<sup>9</sup>

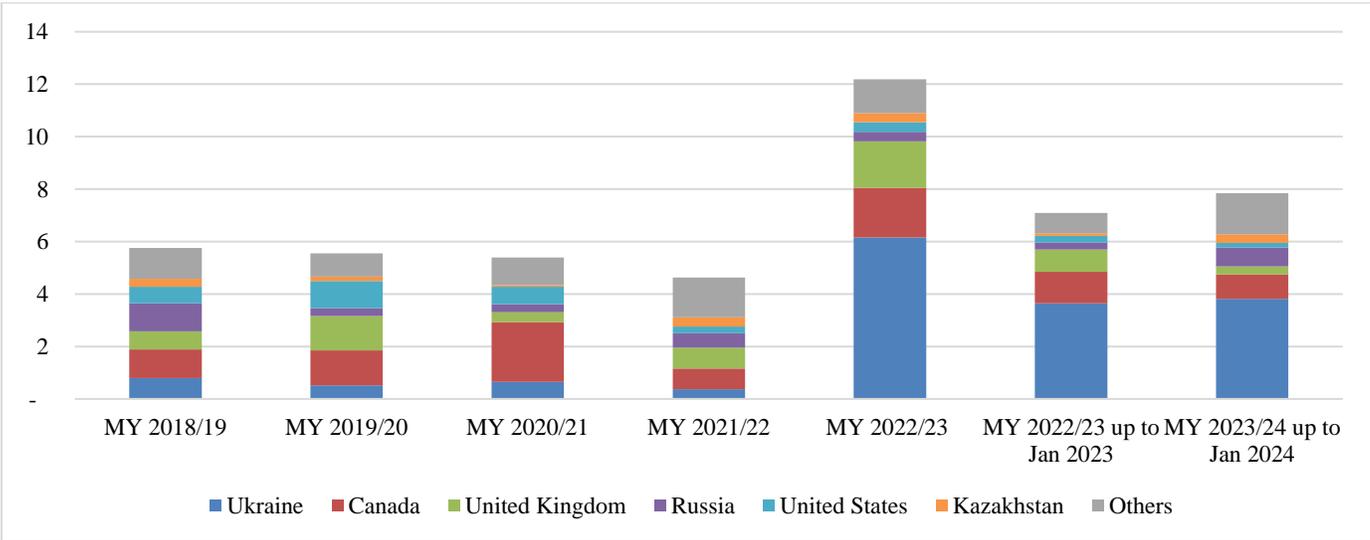
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<sup>9</sup> Additional information regarding animal sector trends can be consulted in the most recent [EU Livestock](#), [Poultry](#) and [Dairy](#) GAIN reports.

EU wheat imports in MY 2024/25 are likely to go down as the Spanish, and to a smaller extent, Italian import demand is projected to decline considering improved domestic output. EU imports of Russian and Belarus wheat in MY 2024/25 could also be negatively impacted if the EU decides to increase the tariffs on Russia and Belarus wheat as announced on March 22, 2024.<sup>10</sup>

In MY 2023/24, EU wheat feed uses benefited from the lower wheat price, especially in the second half of the marketing year, and triggered high imports from third countries. Trade data available and import licenses issued indicate that EU wheat imports in MY 2023/24 will slightly increase from the already high import level in MY 2022/23 of 12.2 MMT. Spanish wheat imports will further increase in MY 2023/24 from MY 2022/23 as the drought slashed the domestic crop and the price spread between wheat and corn continue to remain minimal, pushing feed manufacturers to use Ukrainian wheat instead of corn. Main third country suppliers to Spain are Ukraine, which accounts for half of the country’s total wheat imports, followed by Canada and Russia. In the first half of MY 2023/24, Italy imported most of its non-EU wheat from Canada, Türkiye, Russia, and Ukraine, and to a lesser extent from Australia and the United States. The MY 2022/23 surge in imports of Ukrainian wheat to neighboring EU countries was stopped by an import ban imposed by the EU on May 2, 2023, until mid-September, when it was discontinued. This led to different actions at the Member State level.<sup>11</sup> EU wheat trade flows to Ukraine-neighboring EU Member States in MY 2023/24 are back to pre-war levels. The reopening of the Black Sea export routes directly out of Ukraine also reduced the Danube River traffic. While the EU Parliament and the EU Council agreement to set safeguard clauses for duty-free imports of some Ukrainian grains<sup>12</sup> does not concern wheat, the European Parliament got a firm commitment from the Commission to act in case of a surge of Ukrainian imports of wheat into the EU.

**Figure 8. Main Wheat Suppliers to the EU (MMT)**



Source: Trade Data Monitor LLC. Trade data include wheat products.

<sup>10</sup> Additional information regarding tariffs on Russia and Belarus wheat can be found in this report’s [Policy](#) section.

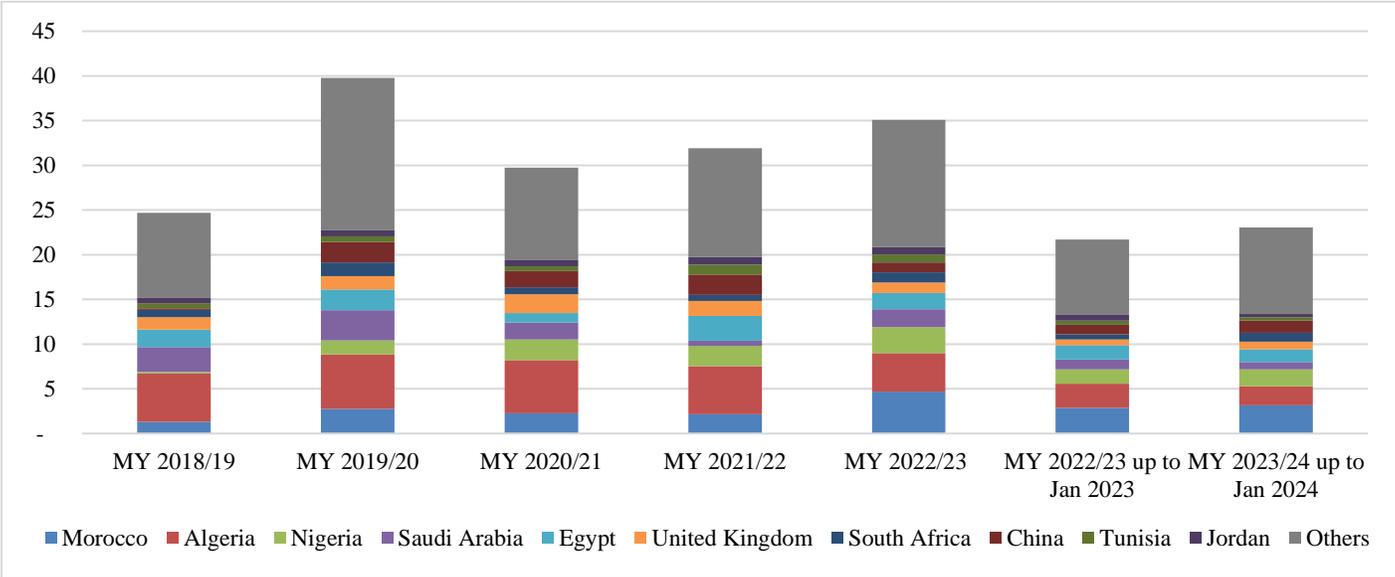
<sup>11</sup> Additional information regarding EU Member State level response can be found in this report’s [Policy](#) section.

<sup>12</sup> Additional information regarding the EU Parliament and Council Agreement to set safeguard clauses for duty-free imports of some Ukrainian grains can be found in this report’s [Policy](#) section.

EU wheat exports in MY 2024/25 are anticipated to decline further from their MY 2023/24 levels, partly due to a smaller crop but mostly due to the severe competition anticipated from Russian and Ukrainian wheat in world markets. Main wheat-exporting EU Member States include France, Romania, Germany, Poland, Bulgaria, and the Baltic countries.

In MY 2023/24, EU wheat exports are expected to decline to 33.6 MMT, despite a strong flow of exports registered in the first half of the marketing year. During the second half of the marketing year, the pace of exports is expected to slow down due to stiff competition from Black Sea origin wheat (Russia and Ukraine) preempting less affordable EU wheat to meet the strong demand in North Africa and Middle East. EU wheat exports to other destinations that used to transit the Suez Canal may also be impacted by the Houthi attacks on ships transiting the Red Sea and the Gulf of Aden due to increased shipping costs. Morocco is expected to remain the EU largest wheat customer in MY 2023/24, with France, Germany, Poland, Lithuania, and Romania as its main EU suppliers, together with Russia and Canada. Algeria used to be a steady customer for French milling wheat, given its significant shipping cost advantage, but is now increasingly buying price-competitive Russian wheat. Nigeria, Egypt, Saudi Arabia, and United Kingdom are also likely to become major importers of EU wheat in MY 2023/24. Indonesia is also expected to be a major importer of EU wheat in MY 2023/24, having already purchased more than one million MT in the first half of the marketing year, mainly from Bulgaria and Lithuania to a lesser extent. The United States is also becoming a large importer of EU wheat products as well as soft wheat from Germany, Poland, and France. After a sharp decline in MY 2022/23 due to strong competition from Australia, United States, and India, EU wheat exports to South Korea, mainly originating in Romania, Bulgaria, and Baltic countries, surged during the first half of MY 2023/24. On the other hand, China is anticipated to purchase less EU wheat in MY 2023/24 due a strong competition from Australia, Canada, and the United States.

**Figure 9. Main Export Destinations for EU Wheat (MMT)**



Source: Trade Data Monitor LLC. Trade data include wheat products.

Supported by large crops, high imports, and lower exports, EU wheat ending stocks in MY 2023/24 are expected to increase sharply led by significantly higher stocks in France and Germany. The smaller crop and smaller imports in MY 2024/25 could help lower the ending stocks in MY 2024/25.

## Section II. Coarse Grains<sup>13</sup>

### Corn

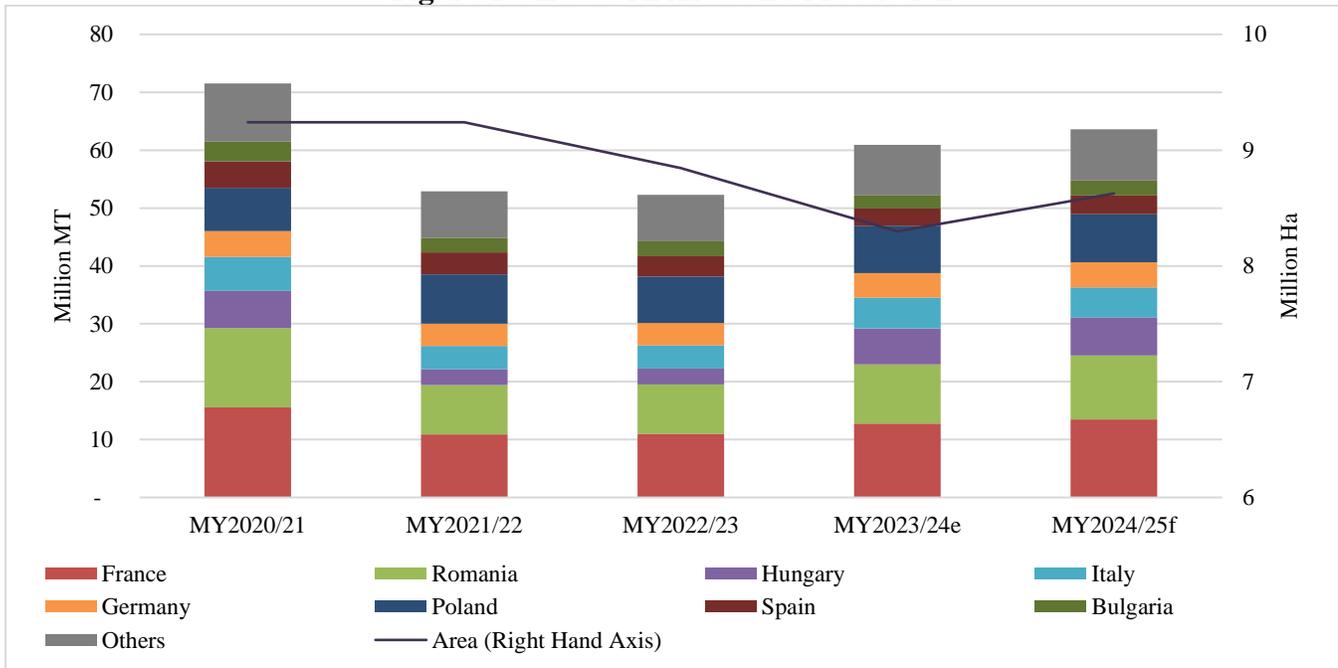
**Table 3. Production, Supply and Distribution – Corn**

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
<b>European Union</b>						
Area Harvested (1000 HA)	8,845	8,839	8,280	8,300		8,600
Beginning Stocks (1000 MT)	11,508	11,508	7,310	7,709		7,754
Production (1000 MT)	52,292	52,300	61,000	61,000		63,600
MY Imports (1000 MT)	23,212	23,200	21,000	20,500		19,000
TY Imports (1000 MT)	23,212	23,200	21,000	20,500		19,000
TY Imp. from U.S. (1000 MT)	174	185				
<b>Total Supply</b> (1000 MT)	87,012	87,008	89,310	89,209		90,354
MY Exports (1000 MT)	4,202	4,204	4,200	3,500		3,800
TY Exports (1000 MT)	4,202	4,204	4,200	3,500		3,800
<b>Feed and Residual</b> (1000 MT)	55,000	55,800	57,000	57,700		58,500
FSI Consumption (1000 MT)	20,500	19,295	20,900	20,255		20,355
<b>Total Consumption</b> (1000 MT)	75,500	75,095	77,900	77,955		78,855
Ending Stocks (1000 MT)	7,310	7,709	7,210	7,754		7,699
<b>Total Distribution</b> (1000 MT)	87,012	87,008	89,310	89,209		90,354
<b>Yield</b> (MT/HA)	5.9120	5.9170	7.3671	7.3494		7.3953
(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						

Source: FAS EU Posts.

<sup>13</sup> Coarse grains are the threshed, dry seeds of plants, cultivated for human/and or animal consumption and gathered in the dried, unprocessed state upon maturity. Coarse grains is the total of corn, barley, rye, oats, mixed grains, and sorghum.

**Figure 10. EU Corn Area and Production**



Source: FAS EU Posts estimates based on MS statistical sources.

After two consecutive years of decline, EU corn area is expected to expand in MY 2024/25 in response to a shift to spring crops due to excessive soil moisture preventing farmers from fully carrying out their winter grains planting plans. The expansion is expected to take place predominantly in France, due to good yields achieved in the previous season. However, opportunities for area expansion also exist in several other Member States. Fall and winter have been wet in western Europe, but dry and warm in the EU’s southeast. In Germany and Austria, excessive soil moisture impeded access to fields for winter grains planting and in some instances spring replanting may be required due to the inadequate state of plant development, which could ultimately lead to an increased corn area. In Hungary, a moderate rebound in corn area is expected at the expense of wheat and barley, after the drastic reduction in corn area registered over the past two years. In Spain, there is room to expand corn area provided spring precipitations continue to refill water dams. Conversely, drought concerns remain strong in Romania and Bulgaria, which respectively foresee corn area to stagnate and drop. These expectations stem from the reduced profitability offered by corn crops in these two countries due to the drought experienced in two consecutive years and weak commodity prices. In Italy, planted area to corn keeps decreasing, being replaced by the more profitable soybean and soft wheat plantings. Other Member States such as Poland, Croatia, and Slovakia anticipate small area variations, or no changes in the case of Belgium, Slovenia, Greece, or Portugal.

Growth in production is anticipated in MY 2024/25 for a second consecutive year. With commodity prices falling more rapidly than input prices, farmers seek opportunities to reduce or maintain production costs. Fertilizer and pesticide applications may be sacrificed in some cases. Hence, EU corn yield is anticipated to recover only partially and stay in line with the five-year average, reflecting the current limited water availability in south-eastern Europe. An increase in forecast planted area combined with improved yields means that MY 2024/25 production is currently forecast to grow year-on-year. Except Italy and Croatia, which foresee a drop in production, all the other corn growing Member States, namely Romania, France, Hungary, Bulgaria, Spain, Czechia, Poland, Slovakia, and Germany, anticipate a rebound. In the western and central EU, abundant rainfall saturated fields and restored water reservoirs, offering a good base for sowing and germination of spring plantings. In contrast, warmer and drier than average weather may impact crop planting and development in the southeast EU, where significant precipitation is still needed, despite the mid-March rainfall which contributed to restore soil moisture to some extent. Apart from Spain and Portugal, no biotech corn is grown in the EU. In other Member States, such as Romania, that did not opt-out from GE crops cultivation, the rigorous traceability requirements and difficulties in marketing crops discouraged farmers from cultivating GE corn.<sup>14</sup> This largely explains why, contrary to the United States, corn yields in the EU have stagnated over the past five years.

EU's total corn consumption is expected to edge up to 79 MMT for MY 2024/25. With food and seeds uses projected stable, the growth is entirely attributed to increased animal and industrial demand. Feed utilization is foreseen to grow in MY 2024/25, as corn has the potential to maintain its price competitiveness against alternative grains due to ample global supplies. Positive market-driven prospects for animal production,<sup>15</sup> or in certain Member States like Romania stimulated by support measures to expand livestock breeding, provide support for a higher feed demand. Improved feed utilization is also anticipated in Hungary, Italy, Ireland, Czechia, France, and Germany. The increase counters the sharp reductions in corn feed use expected in Spain, given the projected recovery in domestic feed grains availability. Industrial use increase is driven by bioethanol production and supported by prospects for increased demand and by expanded production capacities for starch. The expected increase in corn industrial use in the key-player, Hungary, as well as Romania and Bulgaria, compensates for the decline in Italy.

Buoyed by elevated feed and industrial utilization, total corn consumption is set to climb in MY 2023/24. Corn is gaining market share in feed rations due to its competitiveness and abundant soybean supply, tempered though by increased consumption of other grains, particularly wheat. Local supply availability and positive prospects for livestock and poultry also support a recovered feed demand. France anticipates the greatest recovery in corn feed, due to its rebound crop, followed by Spain, Romania, Hungary, and Poland.

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<sup>14</sup> Additional information regarding Biotechnology in the EU, please consult the latest [EU Biotechnology Annual](#) GAIN report.

<sup>15</sup> Additional information regarding animal sector trends can be consulted in the most recent [EU Livestock](#), [Poultry](#) and [Dairy](#) GAIN reports.

In light of the larger EU corn crop anticipated, MY 2024/25 imports are expected to stay below the previous season levels. The drop in imports is mainly attributed to Spain, given the projected recovery in domestic feed grains availability. In the case of Germany, The Netherlands, Slovenia, and Portugal, the competition from other feed ingredients justifies the decline. In terms of origins, Ukraine is envisaged to remain the EU's leading supplier for corn imports due to its geographical position. Despite the import restrictions and measures put in place in Ukraine-neighboring Member States,<sup>16</sup> corn shipments are anticipated to continue entering the EU via marine routes because of their competitiveness. As the EU's second largest corn supplier, Brazil is attractive to the EU operators particularly in the last quarter of the season, covering the gap in supply until the EU crop is harvested. With an anticipated ample supply despite farmer intentions to cut the planting area, the [United States](#) may further contribute to meeting the EU corn demand. In the event a safeguard clause on corn is included in the duty-suspension agreement<sup>17</sup> to be signed between EU and Ukraine in the upcoming months, capping imports to the average volume recorded between mid-2021 and 2023, shipments from Ukraine would be likely to decline. This would then offer other market players the opportunity to strengthen their current positions in the EU.

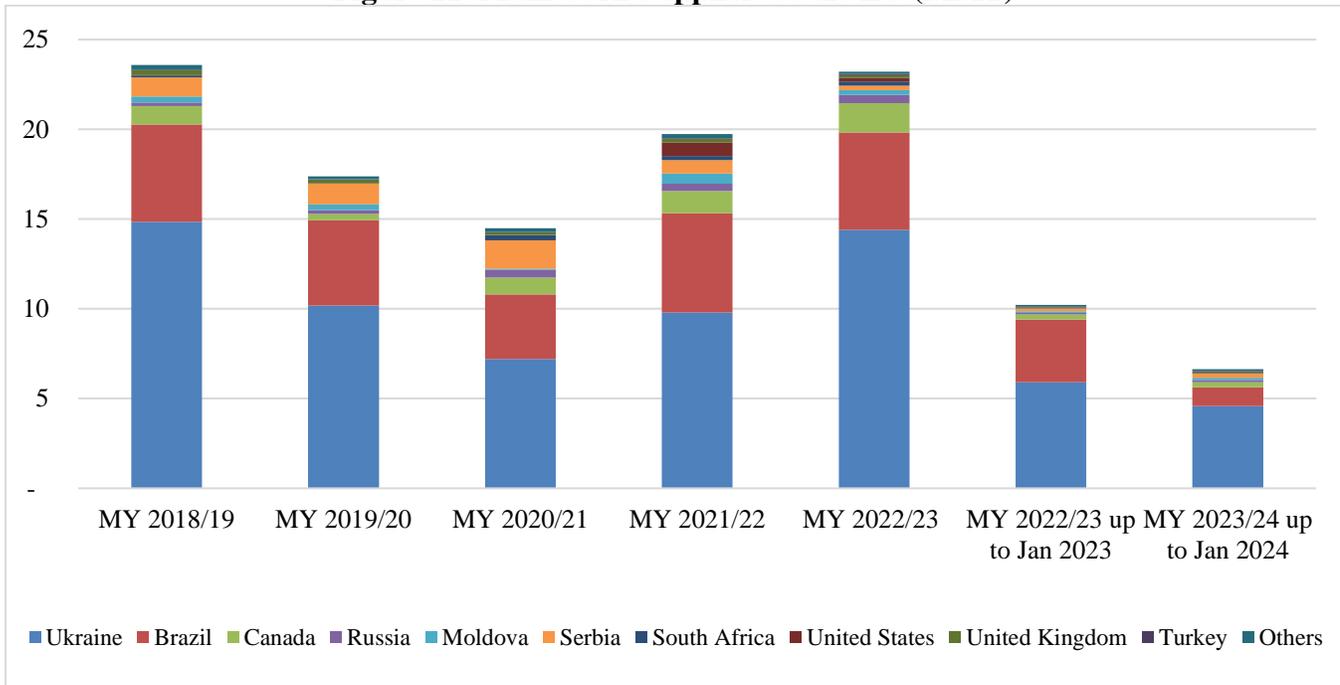
Tied to an improved EU corn crop in MY 2023/24, and the strong competition from feed wheat, import demand for corn in MY 2023/24 is currently estimated below the previous season. The trade data for the first quarter of MY 2023/24 show a significant year-on-year decline, indicating a slow demand in response to domestic availability of corn and other feed ingredients. The import demand is projected to revive in the second part of the season, when domestic supply diminishes and Brazilian *safrinha* corn becomes available. The corridor from the Odessa region through the Black Sea, opened by Ukraine in October 2023, has proven to be the most cost-effective route for the Ukrainian exports. The transit routes developed on the Danube River, rail and road routes through Romania, and western crossing border points remain valid options for shippers, though their competitiveness has been affected by the direct route through the Black Sea. The level of Ukraine's supply available for export to EU depends on its competitiveness against other global corn suppliers on key export markets, such as China. Crop rebound and improved access to barges along the Danube River this season may also allow Serbia to accelerate its exports to the EU.

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<sup>16</sup> Additional information regarding EU Member States import bans can be found in this report's [Policy](#) section.

<sup>17</sup> Additional information regarding EU Agricultural Trade Policy with Ukraine can be found in this report's [Policy](#) section.

**Figure 11. Main Corn Suppliers to the EU (MMT)**

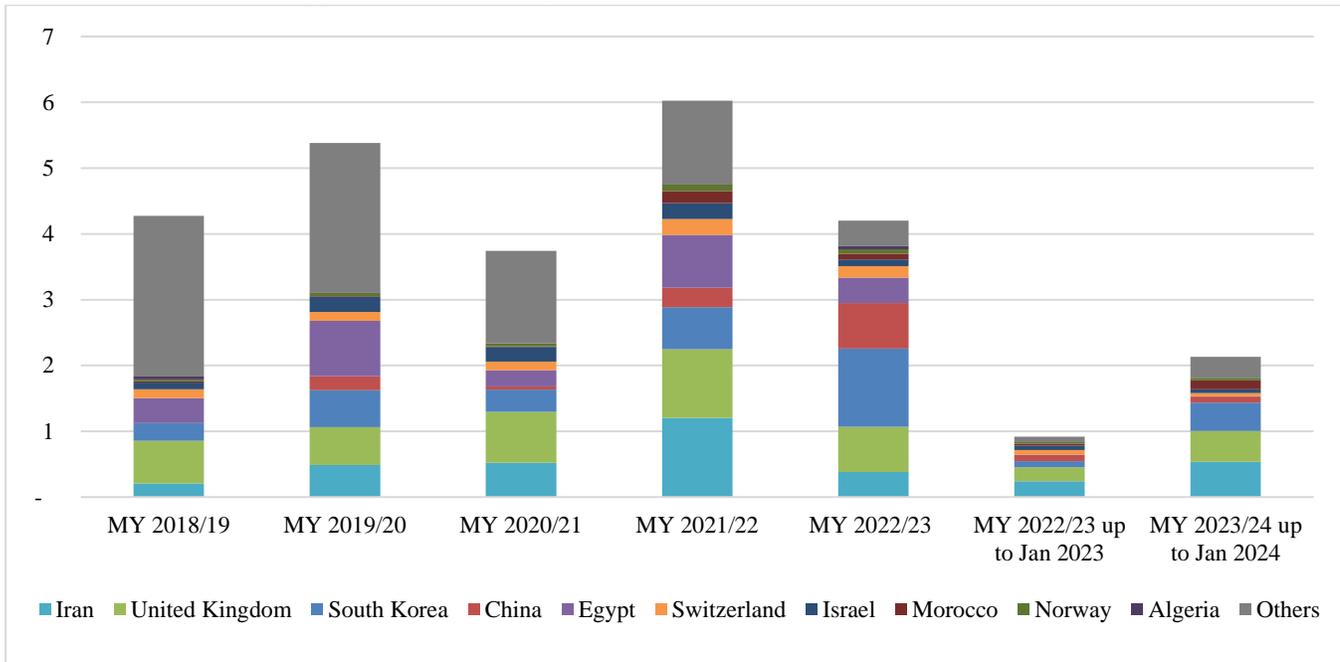


Source: Trade Data Monitor LLC.

In line with a higher projected harvest in MY 2024/25, exports are forecast above previous year's levels. As the largest EU exporter, Romania is anticipated to keep this position due to its advantageous geographical position in supplying the traditional export markets in Middle East and North Africa, despite the heightened security risks associated with navigation in the Red Sea. The other key-exporting countries, notably France, Poland, and Hungary, are anticipated to maintain similar export levels as in MY 2023/24, while Bulgaria intends to grow amid crop recovery expectations.

Exports are anticipated to shrink in MY 2023/24 compared to the previous season. The trade figures pertaining to the first quarter of the season indicate a major increase, mainly because of the availability of exportable supply and market opportunities in Iran, South Korea, the United Kingdom, as well as Morocco, Tunisia, and Türkiye. The strong export pace in the first part of the season is forecast to slow down in the second half, due to increased internal demand and strong competition from the global suppliers on the export markets, notably Ukraine.

**Figure 12. Main Export Destinations for EU Corn (MMT)**



Source: Trade Data Monitor LLC.

Despite predictions of boosted domestic crop, due to lower imports, the closing stocks are anticipated to flatten out in MY 2024/25 and remain at similar levels as in MY 2023/24.

**Barley**

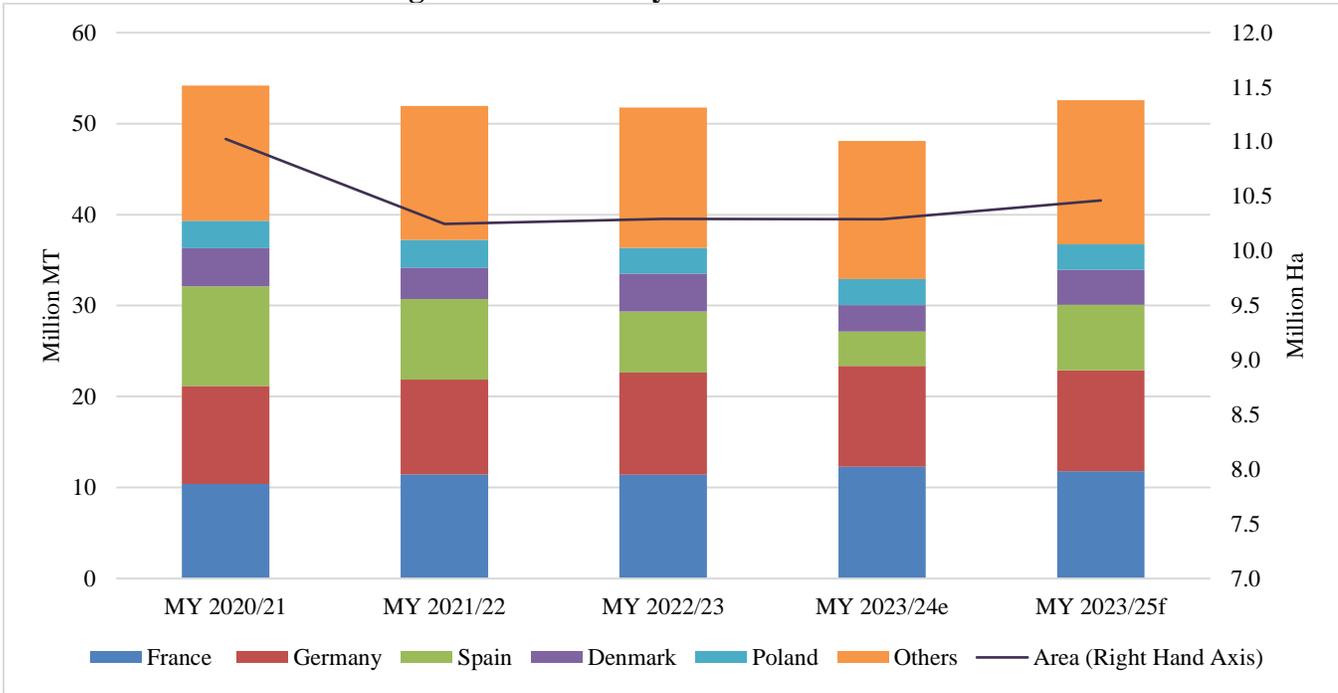
**Table 4. Production, Supply, and Distribution – Barley**

Barley	2022/2023		2023/2024		2024/2025	
	Jul 2022		Jul 2023		Jul 2024	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Market Year Begins						
European Union						
Area Harvested (1000 HA)	10,311	10,294	10,300	10,290		10,460
Beginning Stocks (1000 MT)	5,287	5,287	5,697	5,680		5,140
Production (1000 MT)	51,800	51,782	47,700	48,110		52,575
MY Imports (1000 MT)	1,976	1,977	1,800	1,850		1,500
TY Imports (1000 MT)	2,157	2,152	1,700	1,700		1,500
TY Imp. from U.S. (1000 MT)						
Total Supply (1000 MT)	59,063	59,046	55,197	55,640		59,215
MY Exports (1000 MT)	6,666	6,666	6,000	6,000		6,550
TY Exports (1000 MT)	6,614	6,613	6,200	6,300		6,550
Feed and Residual (1000 MT)	33,800	33,750	31,000	31,350		33,850
FSI Consumption (1000 MT)	12,900	12,950	13,100	13,150		13,200
Total Consumption (1000 MT)	46,700	46,700	44,100	44,500		47,050
Ending Stocks (1000 MT)	5,697	5,680	5,097	5,140		5,615
Total Distribution (1000 MT)	59,063	59,046	55,197	55,640		59,215
Yield (MT/HA)	5.0238	5.0303	4.6311	4.6754		5.0263

(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

Source: FAS EU Posts.

**Figure 13. EU Barley Area and Production**



Source: FAS EU Posts estimates based on MS statistical sources.

Barley area in the EU is forecast to grow in MY 2024/25 and is expected to amount to nearly 10.5 million Ha. Farmers in the main barley producing countries (France, Spain, Germany, Denmark, Poland, and Romania) are expected to increase their plantings. At the same time, wet weather interrupted winter fieldwork in Northwestern Europe, including in France, Germany, and the Nordic countries, where sowings fell short of initial intentions in the fall. Therefore, a portion of planned winter barley area is anticipated to be switched to spring barley in these Member States. Total barley area is projected down compared to the previous season in Hungary, Italy, and Ireland.

After the setback registered in MY 2023/24, EU barley production is forecast to bounce back to average levels in MY 2024/25, particularly in Spain, the Nordic and Baltic countries, and Ireland, and amount to 52.6 MMT. However, barley production is expected down primarily in France, following an excellent harvest in 2023, and in Hungary, driven by a reduction in the area planted. Other central European countries, except for Croatia, also anticipate a slight decline in barley production. Still, the overall outlook for winter and spring barley remains satisfactory and an average yield is projected. In most EU Member States, groundwater reserves have been replenished, and barley benefited from the mild winter temperatures, with virtually no winterkill reported. Normalized Difference Vegetation Index (NDVI) values, temperatures, and growing degree days accumulated from September are above the average, but excessive soil moisture and humidity are still raising concerns in Northwest EU Member States. By contrast, water deficit concerns are growing in Romania and Bulgaria.

Total barley consumption in MY 2024/25 is anticipated to grow and amount to 47 MMT, driven by improved domestic availability, a solid demand for feed barley, an increasing need for alternative protein sources for food and feed uses, and growth in processing capacities. Demand for feed barley is estimated at 33.8 MMT, recovering from the drop in MY 2023/24. In MY 2024/25, barley use in feed has the potential to grow in France, Spain, Denmark, and Sweden, stemming from the higher availability and its improved competitiveness against wheat. Additionally, solid internal demand drives the ongoing recovery of the poultry sector, and the fall in grain prices also contributes to the improved livestock sector's profitability.<sup>18</sup> The industrial use of barley is set to remain flat.

In MY 2023/24, total barley consumption is projected down to 44.5 MMT, given the sharp drop in domestic supply in drought-hit EU Member States such as Spain, Ireland, and the Nordic countries. Additionally, the contraction in swine inventory combined with the rebound of corn and wheat production keeps the barley utilization in feed at lower levels year-on-year in Member States such as Spain, Portugal, Denmark, Finland, Sweden, Germany, The Netherlands, Poland, and Croatia. Conversely, a significant increase is projected in feed consumption in France. Tight supplies of spring barley are expected to cause the barley use fall in the brewing industry. At the same time, industrial utilization is projected slightly up as barley can substitute for corn and wheat in ethanol and starch businesses, depending on price spreads and difficulties in supply. A moderate growth is expected in demand for barley protein for feed and food purposes.

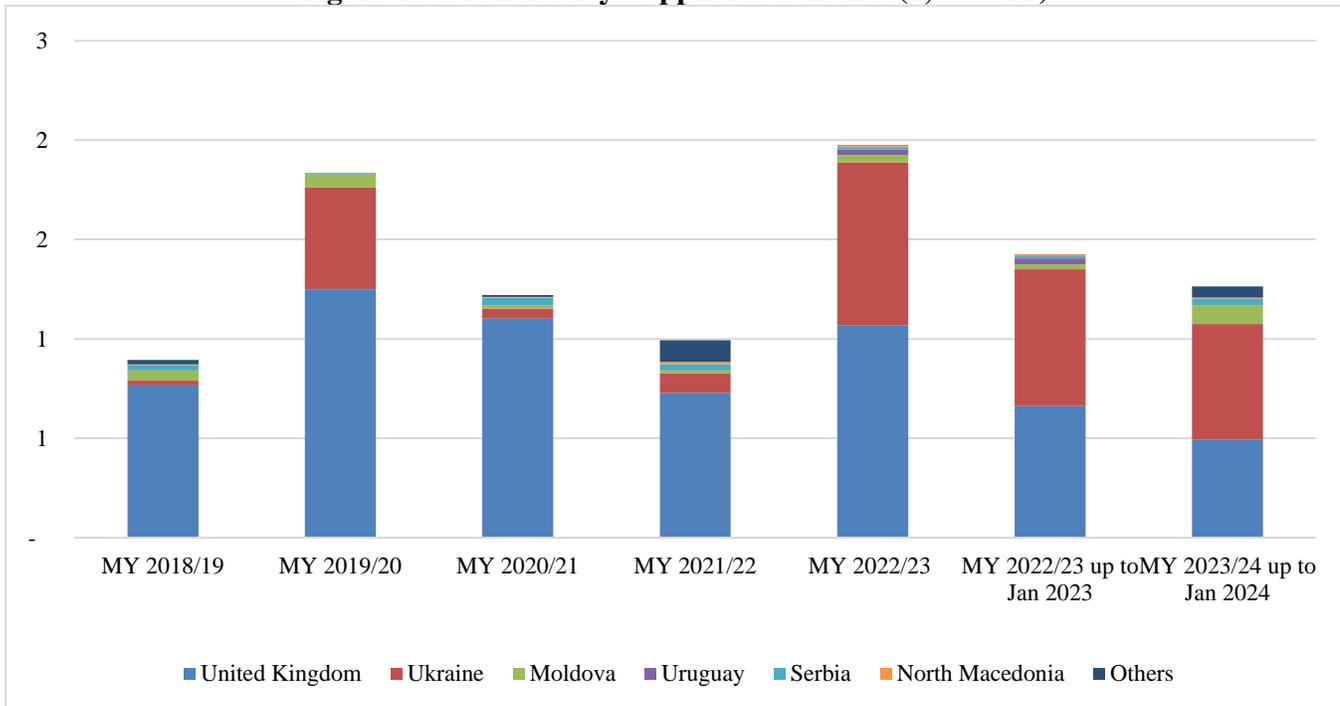
EU barley imports are projected to decline to 1.5 MMT in MY 2024/25, particularly in Spain, as improved domestic supply is anticipated after the serious setback in the previous year. Still, Black Sea feed barley is likely to keep its competitive price advantage against British and EU origins. If the maritime corridor from Black Sea ports continues to function without substantial disruptions, Ukraine will remain one of the major non-EU suppliers of barley, along with the United Kingdom.

In MY 2023/24, EU imports are projected to show a downward trend despite the exceptionally low EU barley production and the ongoing decline in prices. Although more imports came from Moldova, Russia, and Serbia in the first half of the year, imports are forecast to fall as British barley production went down, leaving the United Kingdom with lower exportable supplies.

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<sup>18</sup> Additional information regarding animal sector trends can be consulted in the most recent [EU Livestock](#), [Poultry](#) and [Dairy](#) GAIN reports.

**Figure 14. Main Barley Suppliers to the EU (1,000 MT)**

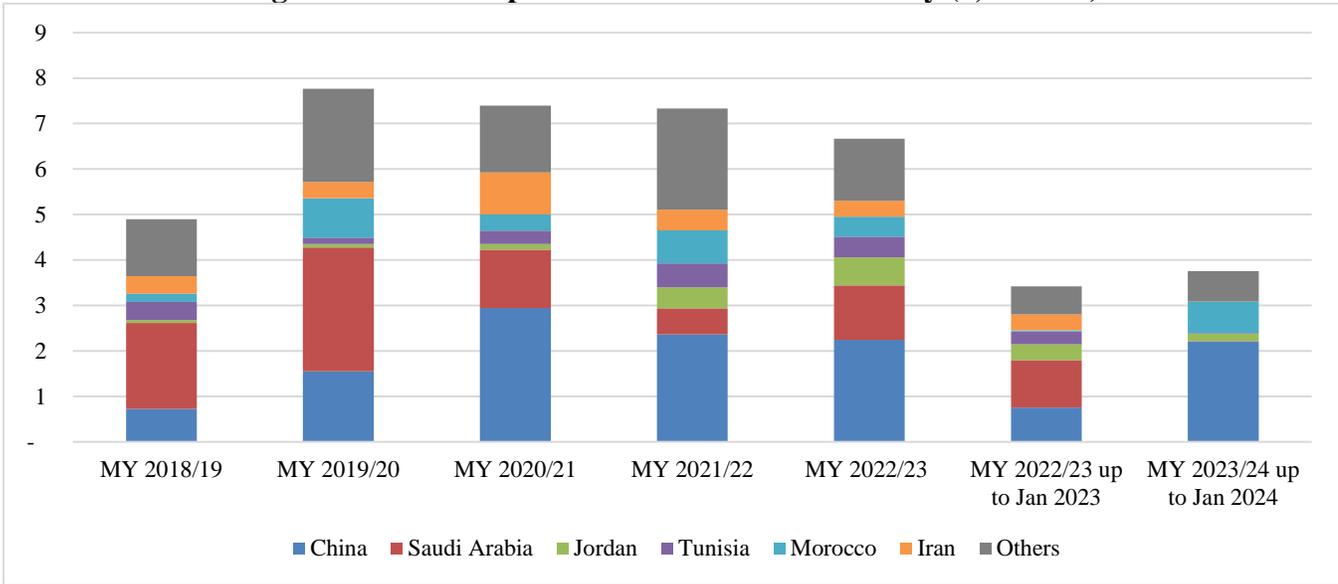


Source: Trade Data Monitor LLC.

Since the outlook for barley production is satisfactory, EU barley exports in MY 2024/25 are forecast to bounce back to 6.5 MMT. The EU still has the potential to keep its market position in China against Australian exports and capture some demand in North Africa and the Middle East, despite Russia’s stiff competition in these regions.

EU barley exports in MY 2023/24 are anticipated to decline to 6 MMT as the EU’s lowest barley production since 2011 predicts tight exportable supply. Although France exported 1.6 MMT more to China, and EU exports to Morocco and Algeria also increased in the first half of the year compared to the same period of MY 2022/23, the EU’s position has weakened in Tunisia, Jordan, and Israel. Russia had above-average production in MY 2023/24, gaining advantage on the North African and Asian markets, and added downward pressure in global export prices. Additionally, shipping difficulties at the Suez Canal have a negative impact on EU exports to Eastern Africa and Asia, where the EU faces increased competition by Australia, since the country solved its trade dispute with China.

**Figure 15. Main Export Destinations for EU Barley (1,000 MT)**



Source: Trade Data Monitor LLC.

Following the low supply in MY 2023/24, which is forecast to push ending stocks down, an anticipated rebound in barley production should allow for a more comfortable level of ending stocks in MY 2024/25, despite the expected surge in exports and domestic consumption.

## Rye

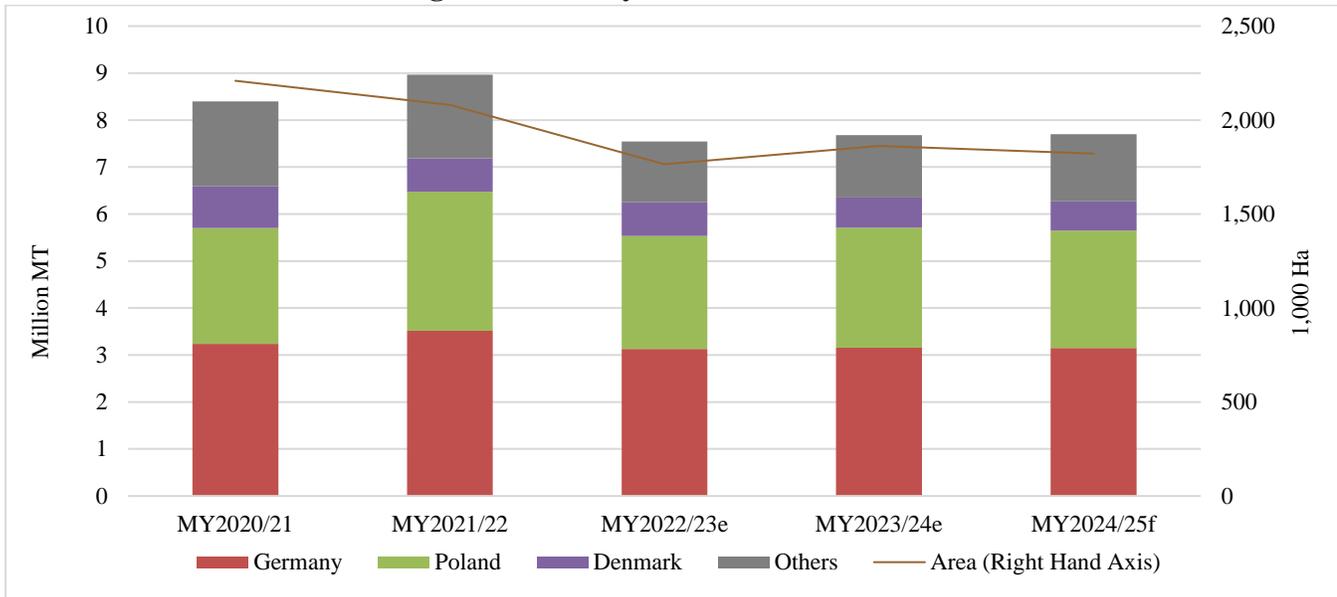
**Table 5. Production, Supply and Distribution – Rye**

Rye	2022/2023		2023/2024		2024/2025	
	Jul 2022		Jul 2023		Jul 2024	
Market Year Begins						
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
<b>Area Harvested</b> (1000 HA)	1,762	1,765	1,860	1,862		1,820
<b>Beginning Stocks</b> (1000 MT)	888	888	682	836		648
<b>Production</b> (1000 MT)	7,526	7,544	7,635	7,677		7,700
<b>MY Imports</b> (1000 MT)	109	109	200	110		70
<b>TY Imports</b> (1000 MT)	131	131	200	130		130
<b>TY Imp. from U.S.</b> (1000 MT)						
<b>Total Supply</b> (1000 MT)	8,523	8,541	8,517	8,623		8,418
<b>MY Exports</b> (1000 MT)	141	141	200	180		175
<b>TY Exports</b> (1000 MT)	138	138	175	170		170
<b>Feed and Residual</b> (1000 MT)	4,500	4,700	4,500	4,700		4,700
<b>FSI Consumption</b> (1000 MT)	3,200	2,864	3,150	3,095		3,055
<b>Total Consumption</b> (1000 MT)	7,700	7,564	7,650	7,795		7,755
<b>Ending Stocks</b> (1000 MT)	682	836	667	648		488
<b>Total Distribution</b> (1000 MT)	8,523	8,541	8,517	8,623		8,418
<b>Yield</b> (MT/HA)	4.2713	4.2742	4.1048	4.123		4.2308

(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

Source: FAS EU Posts.

**Figure 16. EU Rye Area and Production**



Source: FAS EU Posts estimates based on MS statistical sources.

In MY 2024/25, EU rye planted area is forecasted to decrease marginally. While area planted to rye in Poland is expected to remain stable, a decrease in sowings is reported in Germany in response to the unfavorable winter planting conditions in combination with the EU Common Agricultural Policy (CAP) requirement for keeping four percent of arable land fallow that was still in place at the time of planting. These two Member States account for over 70 percent of the EU’s rye area. In the EU, rye is predominantly planted on less fertile and sandy soils. Despite the smaller area, assuming average conditions, EU’s rye production is expected to edge up to 7.7 MMT in MY 2024/25, as improved yields are anticipated in Germany, Spain, The Netherlands, Belgium, and Sweden. In the case of Poland, rye production is expected to flatten out compared to the previous season.

In MY 2024/25, rye feed use is forecasted to stay at 4.7 MMT. The increased feed rye consumption predicted in Spain, Belgium, and Sweden, in line with the anticipated production recovery, offsets the expected reduced consumption in Germany, where domestic availability of rye is projected down. Rye consumption for feed in the EU remains mainly a function of production and is largely consumed in on-farm feed. In MY 2023/24, feed consumption is projected to decline in Germany, which accounts for more than half of the total EU feed rye consumption, Denmark, and Spain, whereas it is expected to increase in Poland, The Netherlands, and Hungary, driven by improved swine production outlook.

In MY 2024/25, FSI consumption is expected marginally down, driven by lower industrial use in Germany, in line with lower beginning stocks. In MY 2023/24, FSI consumption is expected to increase due to higher use for industrial purposes, mostly for bioethanol and biogas production purposes. EU rye is largely traded within the EU and only two percent of production is exported outside the bloc. The United States, which accounts for nearly 70 percent of the EU’s rye exports, is the main destination, followed to a much lesser extent by Japan and United Kingdom.

EU rye stocks forecast for MY 2023/24 is lower than last year, because of the projected higher FSI consumption. Rye stocks are fairly concentrated in large producing Member States such as Germany and Poland, and Latvia and Estonia to a much lesser extent.

## Oats

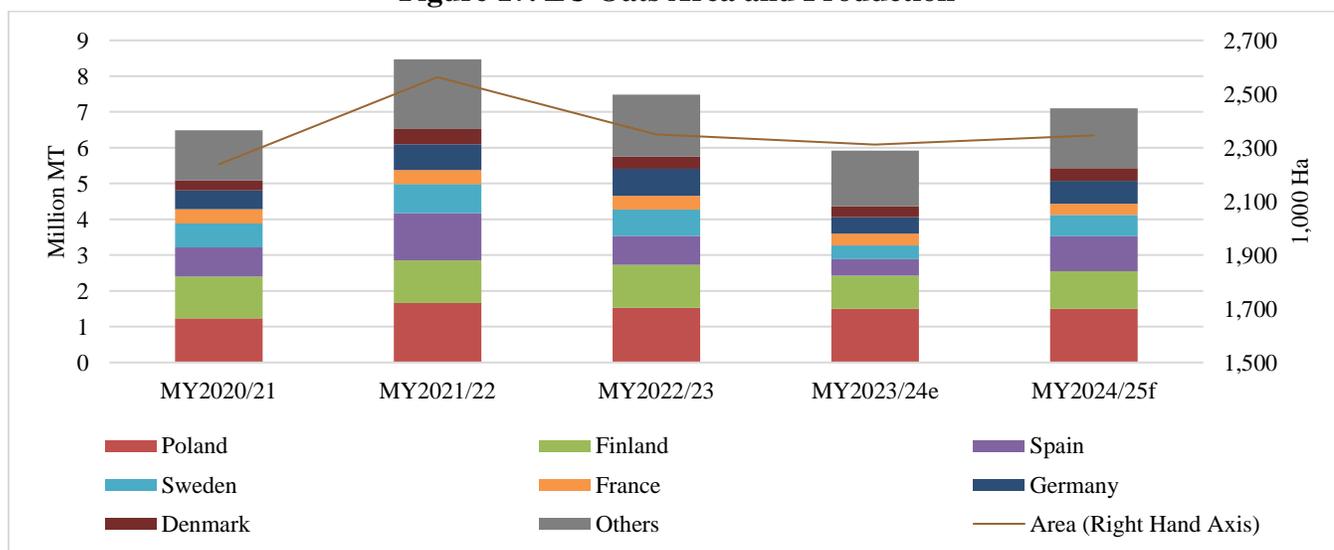
**Table 6. Production, Supply and Distribution – Oats**

Oats	2022/2023		2023/2024		2024/2025	
	Jul 2022		Jul 2023		Jul 2024	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Market Year Begins						
European Union						
Area Harvested (1000 HA)	2,349	2,349	2,290	2,310		2,350
Beginning Stocks (1000 MT)	426	426	557	618		290
Production (1000 MT)	7,494	7,484	5,920	5,920		7,100
MY Imports (1000 MT)	170	171	125	100		100
TY Imports (1000 MT)	125	125	125	110		110
TY Imp. from U.S. (1000 MT)						
Total Supply (1000 MT)	8,090	8,081	6,602	6,638		7,490
MY Exports (1000 MT)	83	78	85	80		80
TY Exports (1000 MT)	90	85	100	100		100
Feed and Residual (1000 MT)	6,000	5,920	5,000	4,850		5,600
FSI Consumption (1000 MT)	1,450	1,465	1,350	1,418		1,423
Total Consumption (1000 MT)	7,450	7,385	6,350	6,268		7,023
Ending Stocks (1000 MT)	557	618	167	290		387
Total Distribution (1000 MT)	8,090	8,081	6,602	6,638		7,490
Yield (MT/HA)	3.1903	3.186	2.5852	2.5628		3.0213

(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 Oats begins in October for all countries. TY 2024/2025 = October 2024 - September 2025

Source: FAS EU Posts.

**Figure 17. EU Oats Area and Production**



Source: FAS EU Posts estimates based on MS statistical sources.

In MY 2024/25, EU oats planted area is forecasted to increase marginally compared to the previous year due to expected better profitability of the crop. With the larger area planted and assuming a rebound in yields, oats production in the EU is expected to rebound to 7.1 million MT. Higher production is expected in Finland, Spain, Germany, and Sweden, whereas in Poland, production is forecast to flatten. In Germany and Finland, the increase is driven by a larger area planted to spring crops following unfavorable fall conditions that hampered winter plantings. Spain and Sweden account for the largest production recoveries, after hitting very low production levels in the previous season.

In MY 2024/25, total and feed consumption of oats is forecasted to rebound in line with the improved availability after the new harvest. In MY 2023/24, total EU oats consumption is estimated to decline from the previous year due to lower oats production. Similarly, feed consumption of oats, which occurs primarily on-farm, is also expected to decrease, particularly in some of the largest oat producers like Spain and Sweden.

MY 2024/25 trade is projected at similar levels to the previous year, despite larger production. Oats are traditionally traded within the EU. Export volumes to non-EU countries are stable and usually originate from Latvia, Finland, and Sweden, and are mainly directed to third countries such as Algeria, the United States, and Switzerland. Major EU oats producers typically adjust domestic use than trade. In MY 2024/25, the EU is projected to partially rebuild its oats stocks. Except for Czechia, in MY 2023/24, oats ending stocks are expected to be tight across the EU due to the short crop.

## Mixed Grains<sup>19</sup>

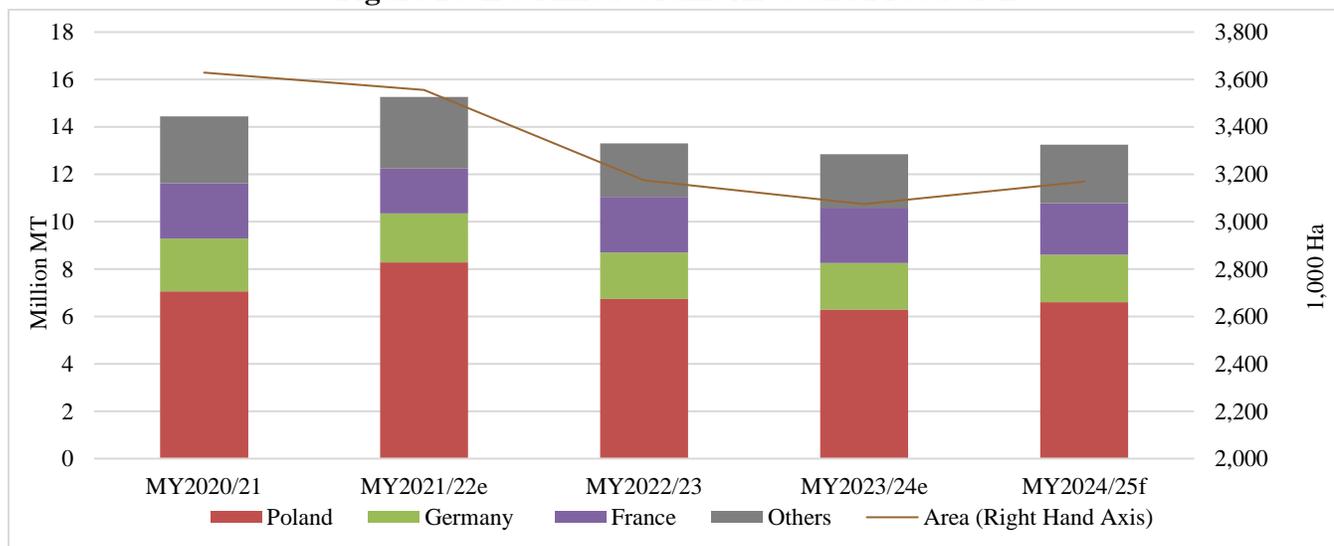
**Table 7. Production, Supply and Distribution – Mixed Grains**

Mixed Grain Market Year Begins	2022/2023		2023/2024		2024/2025	
	Jul 2022		Jul 2023		Jul 2024	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
European Union						
<b>Area Harvested</b> (1000 HA)	3,184	3,175	3,085	3,100		3,150
<b>Beginning Stocks</b> (1000 MT)	680	680	661	920		770
<b>Production</b> (1000 MT)	13,331	13,310	12,900	12,840		13,250
<b>MY Imports</b> (1000 MT)						
<b>TY Imports</b> (1000 MT)						
<b>TY Imp. from U.S.</b> (1000 MT)						
<b>Total Supply</b> (1000 MT)	14,011	13,990	13,561	13,760		14,020
<b>MY Exports</b> (1000 MT)						
<b>TY Exports</b> (1000 MT)						
<b>Feed and Residual</b> (1000 MT)	11,700	11,300	11,300	11,200		11,300
<b>FSI Consumption</b> (1000 MT)	1,650	1,770	1,650	1,790		1,795
<b>Total Consumption</b> (1000 MT)	13,350	13,070	12,950	12,990		13,095
<b>Ending Stocks</b> (1000 MT)	661	920	611	770		925
<b>Total Distribution</b> (1000 MT)	14,011	13,990	13,561	13,760		14,020
<b>Yield</b> (MT/HA)	4.1869	4.1921	4.1815	4.1419		4.2063

(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 Mixed Grain begins in October for all countries. TY 2024/2025 = October 2024 - September 2025

Source: FAS EU Posts.

**Figure 18. EU Mixed Grains Area and Production**



Source: FAS EU Posts estimates based on MS statistical sources.

<sup>19</sup> Figures for EU mixed grain include triticale, and the threshed, dry seeds of wheat, barley, corn, oats, rye, and sorghum grown and harvested on the same field.

Forecasted planting area for mixed grains in MY 2024/25 slightly exceeds the previous year, amounting to 3.2 million Ha. All major mixed grain producing Member States, except for France, forecast mixed grains area increases. Assuming average yields, adjusted for the current crop condition, mixed grain production in MY 2024/25 is forecast at 13.3 MMT, slightly above the previous year’s output. In Poland, the largest mixed grain EU producer, triticale remains in good condition after winter. Triticale is the most profitable and largest category within mixed grains and is largely planted in fall, while other mixed grains are planted in spring. In producing Member States, there is a growing preference to feed triticale to livestock over other mixed grains due to its higher nutritional value, which further supports higher triticale share within mixed grains. Triticale mostly replaces wheat on less fertile soils that are still too good for rye.

In MY 2024/25, feed use of mixed grains is forecast to expand in line with the larger anticipated output. Feed is by far the main usage for mixed grains, accounting for roughly 90 percent of total consumption. In MY 2023/24, on-farm feed use decreased, following reduced availability. FSI use of mixed grain in MY 2023/24 is dominated by industrial use for bioethanol and biogas production. Mixed grains’ trade is limited to strategic exchanges for feed purposes between Poland and Germany. Mixed grains are used by farmers for their day-to-day needs. Stocks are used up systematically throughout the year, so end-of-year stocks are usually small. Accordingly, given the smaller production, it is expected that MY 2023/24 ending stocks will be lower in comparison with the previous year.

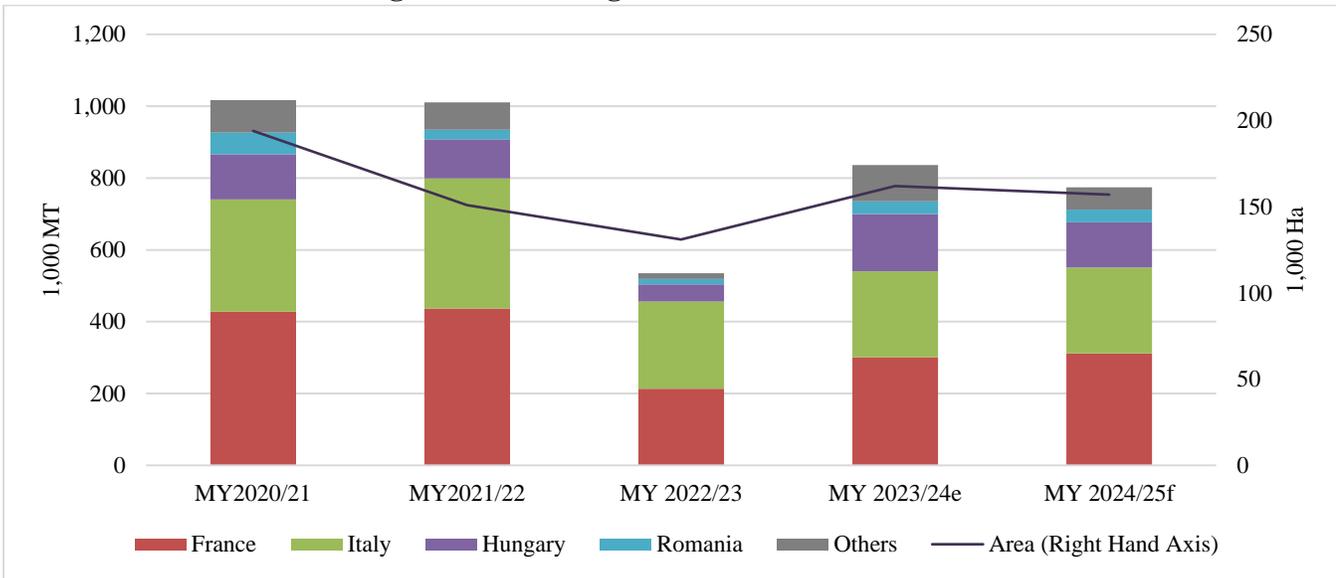
## Sorghum

**Table 8. Production, Supply and Distribution – Sorghum**

Sorghum	2022/2023		2023/2024		2024/2025	
	Jul 2022		Jul 2023		Jul 2024	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Market Year Begins						
European Union						
<b>Area Harvested</b> (1000 HA)	126	131	155	162		157
<b>Beginning Stocks</b> (1000 MT)	17	17	13	14		15
<b>Production</b> (1000 MT)	522	535	810	836		775
<b>MY Imports</b> (1000 MT)	42	42	25	22		22
<b>TY Imports</b> (1000 MT)	38	38	25	20		20
<b>TY Imp. from U.S.</b> (1000 MT)	0	2				
<b>Total Supply</b> (1000 MT)	581	594	848	872		812
<b>MY Exports</b> (1000 MT)	15	15	10	10		12
<b>TY Exports</b> (1000 MT)	14	14	10	11		13
<b>Feed and Residual</b> (1000 MT)	530	553	800	824		770
<b>FSI Consumption</b> (1000 MT)	23	12	23	23		15
<b>Total Consumption</b> (1000 MT)	553	565	823	847		785
<b>Ending Stocks</b> (1000 MT)	13	14	15	15		15
<b>Total Distribution</b> (1000 MT)	581	594	848	872		812
<b>Yield</b> (MT/HA)	4.1429	4.084	5.2258	5.1605		4.9363
(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 Sorghum begins in October for all countries. TY 2024/2025 = October 2024 - September 2025						

Source: FAS EU Posts.

**Figure 19. EU Sorghum Area and Production**



Source: FAS EU Posts estimates based on MS statistical sources.

EU sorghum area in the EU is anticipated to amount to 157 thousand Ha in MY 2024/25, down from the 162 thousand Ha in MY 2023/24.<sup>20</sup> Sorghum area registers annual variations, but follows a long-term expansion trend driven by repeated water shortages, given its comparatively better adaptation to hydric stress than corn. Sorghum is often spring planted as a replacement for winter crops that have been damaged by an excess of water in winter. However, in the current context of favorable conditions for spring plantings, in MY 2024/25, EU farmers are expected to switch from drought-tolerant sorghum in favor of corn (or sunflower), whose profit margins are larger. EU sorghum production is concentrated in a handful of Member States. France (southwestern France), Italy (the Emilia-Romagna region, which represents over half of the country’s sorghum area), and Hungary, account for over 80 percent of the EU’s total sorghum area.

Assuming average growing conditions, in MY 2024/25, EU sorghum production may amount to 775 MMT to be largely used for feed purposes in producing Member States. Given the ample availability and price competitiveness of other grains, no significant sorghum imports are projected in the main grain-deficient EU feed markets.<sup>21</sup>

With [U.S. sorghum sales](#) concentrated in the Asian markets (China and to a much lesser extent Japan), trade data available through January 2024 indicate that in MY 2023/24, Ukraine remained the EU’s largest sorghum supplier, accounting for nearly 65 percent of the bloc’s sorghum imports. Other sorghum suppliers to the EU to a lesser extent include Russia, Moldova, and Sudan.

<sup>20</sup> Note that as of the drafting of this report, most of the sorghum in the EU has not been yet planted. Thus, forecasts are based on farmers’ planting intentions.

<sup>21</sup> Sorghum imports by grain-deficient large EU feed markets occur in the context of tight feed ingredients supplies, discounted prices against corn, and favorable transport logistics.

Section III. Rice

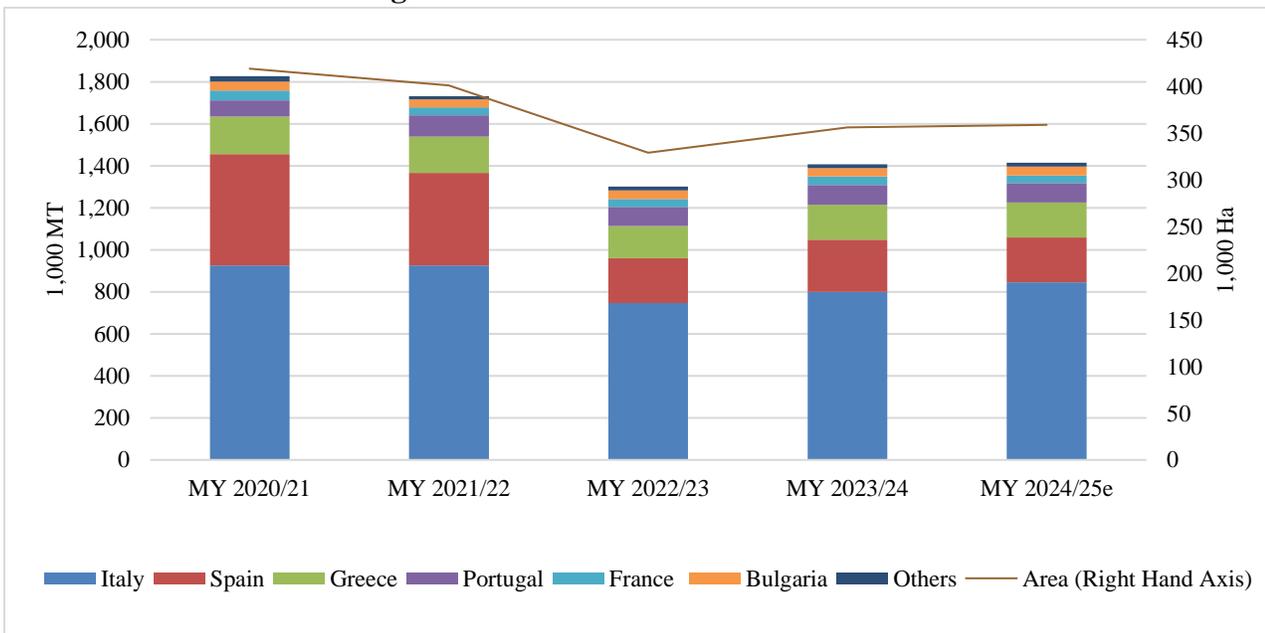
**Table 9. Production, Supply and Distribution – Rice<sup>22</sup>**

Rice, Milled Market Year Begins	2022/2023		2023/2024		2024/2025	
	Sep 2022		Sep 2023		Sep 2024	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
European Union						
Area Harvested (1000 HA)	329	329	356	356		359
Beginning Stocks (1000 MT)	905	905	761	879		849
Milled Production (1000 MT)	1,287	1,287	1,380	1,380		1400
Rough Production (1000 MT)	2,010	2,132	2,155	2,280		2285
Milling Rate (.9999) (1000 MT)	6,404	6,037	6,404	6,053		6127
MY Imports (1000 MT)	2,308	2,307	2,200	2,150		2145
TY Imports (1000 MT)	2,171	2,171	2,300	2,150		2145
TY Imp. from U.S. (1000 MT)	17	17				
Total Supply (1000 MT)	4,500	4,499	4,341	4,409		4394
MY Exports (1000 MT)	389	390	360	365		360
TY Exports (1000 MT)	366	365	360	365		360
Consumption and Residual (1000 MT)	3,350	3,230	3,300	3,195		3200
Ending Stocks (1000 MT)	761	879	681	849		834
Total Distribution (1000 MT)	4,500	4,499	4,341	4,409		4394
Yield (Rough) (MT/HA)	6.1094	6.4802	6.0534	6.4045		6.3649

(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 2024/2025 = January 2025 - December 2025

Source: FAS EU Posts.

**Figure 20. EU Rice Area and Production**



Source: FAS EU Posts estimates based on MS statistical sources.

<sup>22</sup> Production and trade data include HS Codes 100610, 10062, 100630 and 100640 expressed in Milled Rice Equivalent.

In MY 2024/25, EU rice area<sup>23</sup> is forecast to increase driven by larger plantings projected in Italy and in Spain, where early spring precipitation improved water reservoirs, allowing for a larger area being planted to rice. Rice area is anticipated to level off in other smaller rice-producing EU Member States such as Greece, Portugal, France, Bulgaria, and Romania.

EU rice production<sup>24</sup> in MY 2024/25 is anticipated to remain at similar levels to MY 2023/24, but still well below the output levels obtained in MY 2021/22 or MY 2020/21. Larger production volumes are forecast in Spain, in line with the larger area, and in Greece and Bulgaria. Conversely, despite the larger area planted, rice production in Italy is expected to flatten out.

Rice cultivation in Italy, the bloc's largest rice producer which accounts for over half of the EU's rice output, is mostly located in the north (Piemonte, Lombardia, and Veneto regions). Approximately 75 percent of rice varieties grown in Italy are Japonica, while the rest of the varieties are Indica. Except for limited amounts of rough (un-milled) rice exports and domestic seed sales, virtually all Italian rice is marketed as a whole kernel milled product. Spain is the second largest rice producer in the EU, accounting for approximately 14 percent of EU production. The main Spanish rice producing regions are Andalusia, Extremadura, Valencia, Cataluña, Aragon, and Navarra. In Spain, on average, nearly 60 percent of rice area corresponds to Japonica varieties and the remainder to Indica varieties.

EU rice consumption is forecast to recover slightly in MY 2024/25, driven by the softening of food inflation, the good pace of HRI activity, and the long-term trend of growing demand for foods that reduce the amount of time and effort required for meal preparation and can be used in a wide variety of recipes. Two different rice markets coexist in the EU. On one end, large EU rice-producing countries (Italy, Spain, Greece), except for Portugal, are self-sufficient in rice. In these EU Member States, there is a traditional affinity for Japonica varieties due to its cooking characteristics, namely its capacity to absorb flavors.

On the other, non-rice producing EU Member States supply their markets via imports and prefer long-rice varieties along with non-traditional varieties (i.e., Basmati, wild rice blends, brown rice, glutinous rice, or starchy rice). Examples include The Netherlands, which is a key gateway for rice imports, and Belgium, given its large milling capacity and its non-existent domestic production. Other large EU rice importing Member States include France and Germany, given their relatively high consumption compared to their virtually non-existent domestic rice production.

Across the EU, demand for ready-to-eat rice portions keeps growing as consumers continue to opt for convenience food. Small volumes of rice are also used in food industry such as in beer fermentation and in pet food.

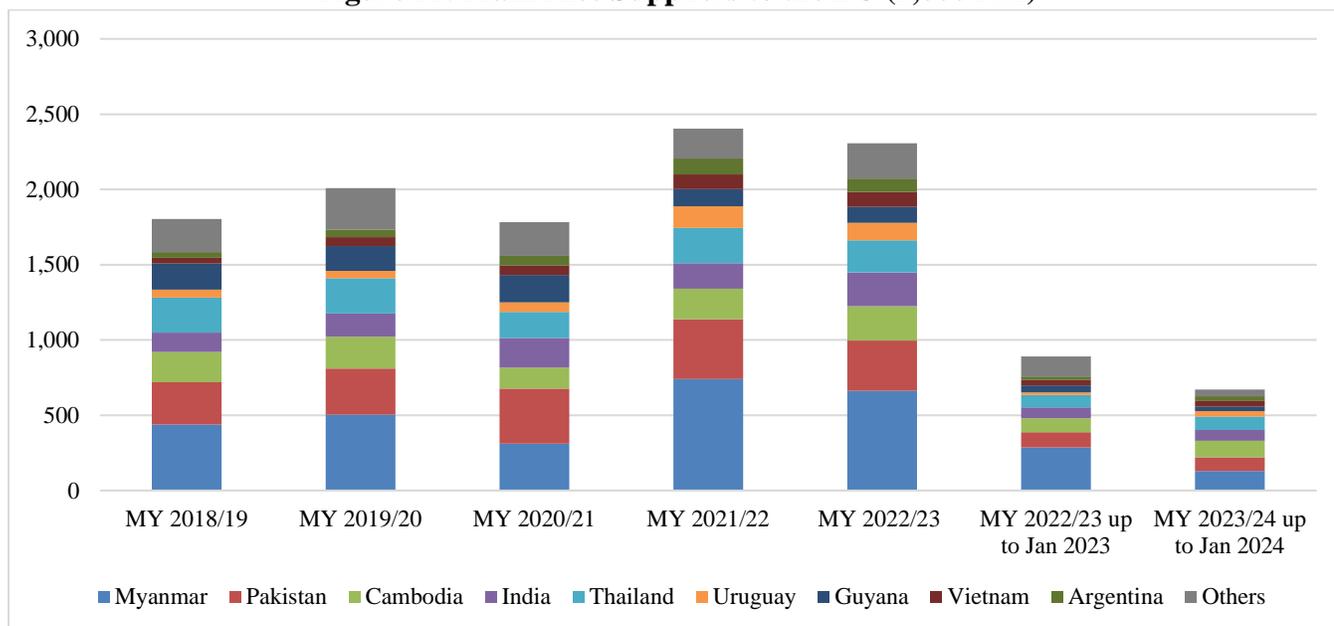
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<sup>23</sup> Note that as of the drafting of this report, most of the rice in the EU has not been yet planted. Farmer planting intentions may vary depending on final irrigation-water allocations.

<sup>24</sup> EU rice production is concentrated in seven Member States: Italy, Spain, Greece, Portugal, Bulgaria, France, and Romania.

The larger domestic availability anticipated for MY 2024/25 is expected to push EU rice import needs down. However, the EU continues to consolidate its net importing position as domestic Indica rice production falls short of meeting the bloc’s needs. EU rice exports are forecast to slightly decrease in MY 2024/25 due to higher freight costs driven by global geopolitical tensions. Most of the EU rice exports consist of Japonica varieties to the United Kingdom and Türkiye.

**Figure 21. Main Rice Suppliers to the EU (1,000 MT)**



Source: Trade Data Monitor, LLC.

## Section IV. Policy

### Common Agricultural Policy (CAP)<sup>25</sup>

The new CAP for 2023-2027 was [adopted](#) on December 2, 2021, and published in the Official Journal on December 6, 2021. EU Member States were requested to submit so-called [Strategic Plans](#), incorporating MS specific goals and initiatives, by the end of 2021. By December 2022, all national strategic plans were approved by the European Commission. The ‘new’ CAP is being implemented as of January 1, 2023.

In July 2023, the EU allocated exceptional support of €330 million from the CAP reserve fund for crises to 22 Member States: Belgium, Czechia, Denmark, Germany, Estonia, Ireland, Greece, Spain, France, Croatia, Italy, Cyprus, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Austria, Portugal, Slovenia, Finland, and Sweden. This support aims to help farmers who have suffered damage and productivity losses caused by climate events, especially in Spain, Portugal, and Italy. These countries may complement this EU support up to 200 percent with national funds.

<sup>25</sup> For more information, please see GAIN Report on [EU Common Agricultural Policy Reform](#).

In March 2024, following weeks of farmer protests across the European Union demanding less administrative burden and better prices, the European Commission published a legislative proposal to amend certain provisions of the Common Agricultural Policy (CAP). The Commission acknowledged that the first year of implementation of the current CAP made clear that adjustments are necessary to ensure effective implementation of the National Strategic Plans and reduce red tape. Among other measures, the proposal<sup>26</sup> introduces changes to good agricultural and environmental condition standards (GAEC standards), including:

- GAEC 8: Remove the obligation to devote a minimum share of arable land to non-productive areas (fallow land) or features (hedges, trees, etc.). Member States will be required to establish an eco-scheme which would reward farmers who choose to keep these non-productive areas.
- GAEC 7: Allow more flexibility on the crop rotation obligation: Member States will be able to choose to either rotate or diversify their crops; this is to help farmers affected by regular drought or excessive rainfall to comply more easily with this requirement.
- GAEC 6: Allow more flexibility for Member States in setting the calendar for soil cover during sensitive periods, as farmers have been complaining about “calendar farming.”
- The Commission also proposes that farms of under 10 hectares are exempted from controls and penalties related to compliance with the GAEC requirements. This aims to reduce administrative burdens related to controls for small farmers who represent 65 percent of CAP beneficiaries.

## **EU Grains Import Policy**

The EU limits the entry of lower-priced grains from non-EU countries through a system of import duties and quotas. Under the WTO Uruguay Round Agreement, all import quotas and variable levies applied to EU imports of grains and processed grains were fixed or ‘tariffied’ and subsequently reduced by 36 percent over the six-year period from July 1, 1995, to June 30, 2001. However, under the Blair House Accord concluded between the United States and the EU in 1993, it was agreed that the difference between the grains import price (Cost Insurance Freight [CIF] duty paid in Rotterdam), and the EU’s intervention price could not be greater than 55 percent. The EU then developed a system where duties were set based on separate reference prices for six grain types and applied to imports of high-quality wheat, durum wheat (high quality), durum wheat (medium quality), corn, flint corn, rye, and sorghum. The resulting duty has been set at zero Euro/MT for the above-mentioned grains since August 27, 2020 ([Commission Implementing Regulation \(EU\) 2020/1221](#)). The references considered for duties calculation and a sample of duty calculation are as follows:

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<sup>26</sup> For more information, please see GAIN Report: [EU Commission Proposes Common Agricultural Policy Revisions Following Farmer Protests](#).

**Table 11. Reference Used for Calculating Import Duties**

Type of Grain	Reference variety	Reference market
High quality wheat	U.S. hard red spring No. 2	Minneapolis
Durum wheat (high quality)	U.S. hard red spring No. 2	Minneapolis
Durum wheat (medium quality)	U.S. hard red spring No. 2	Minneapolis
Corn	U.S. yellow corn No. 2	Chicago Mercantile Exchange
Flint corn	U.S. yellow corn No. 2	Chicago Mercantile Exchange
Other feed grains (rye, sorghum)	U.S. yellow corn No. 2	Chicago Mercantile Exchange

Source: Commission [Implementing Regulation 2023/2834](#).

**Table 12. Example Illustrating Method of Calculating EU Import Duties Euro/MT**

Grain	Representative world standard	EU price (a)	Reference World price (b)	FOB premium (c)	Freight (d)	Representative world price (e) = (b)+(c)+(d)	EU duty (a)-(e)
Corn	Chicago yellow corn No. 2	157.03	68.46	16.20	15.56	100.22	56.81

Note: Reference price = EU intervention price is 1.55 times €101.31/MT

Source: FAS EU Posts.

Details on quotas available for grains imports to the EU are outlined in the table below.

**Table 13. EU Grain Import Quotas Available**

Product	Quantity (MT)	Period	Origin	In-Quota Duty (€/MT)
Common Wheat	572,000	Jan – Dec	United States	12 (vs. 95 outside quota)
Common Wheat	100,000	Jan – Dec until 2023	Canada	0 (vs. 95 outside quota)
Common wheat	2,371,600 I) 1,185,800 II) 1,185,800	I) Jan-Jun II) July-Dec	Third countries, other than U.S., Canada, and the UK	12 (vs. 95 outside quota)
Common wheat and products	1,000,000	Jan-Dec	Ukraine	0 (vs. 95 outside quota)
Corn	276,440 I) 138,220 II) 138,220	I) Jan-Jun II) July-Dec	All origins except the UK	0 (vs. EU duty calculated value)
Corn and products	650,000	Jan-Dec	Ukraine	0 (vs. EU duty calculation)
Barley and products	350,000	Jan-Dec	Ukraine	0 (vs. 93 outside quota)
Barley	307,105	Jan-Dec	All origins except the UK	16 (vs. 93 outside quota)
Malting barley	20,789	Jan-Dec	All origins except the UK	8 (vs. 93 outside quota)

Source: [Commission Implementing Regulation \(EU\) 2020/761](#), [Commission Implementing Regulation \(EU\) 2020/1988](#), and [Commission Implementing Regulation 2014/416](#).

Actual quantities of grain traded, based on the European Commission's DG TAXUD surveillance, are published weekly on Mondays at 16:00 Brussels time on [the European Commission website](#). Import licenses applying to grains subject to TRQs are valid for the current month plus two.

**Intervention Mechanism:** [Regulation \(EU\) 1308/2013](#) (Common Market Organization Regulation) allows the EU to intervene in markets by purchasing grains from farmers and traders at an intervention price. Selling into intervention is aimed to be the market of last resort for farmers and traders. Since January 1, 2023, intervention purchases may be made between October 1 and May 31 for common wheat and throughout the year for durum wheat, barley, corn, and paddy rice. Grain held in intervention stores is disposed of mainly through sale by tender onto the domestic market or for export, although a proportion may be released for the most deprived people in the EU. Each year the Commission must publish details of the conditions under which products brought in under public intervention were bought or sold in the previous year. In practice, no grains have been held in intervention since 2010.

**Proposed Increased Tariffs on Russian and Belarusian Cereals and Oilseeds:** On March 22, 2024, the European Commission published [a proposal](#) that would increase the tariffs on imports into the EU of cereals, oilseeds, and derived products from Russia and Belarus. However, this proposal still needs to be adopted by the Council of the EU to be applicable. The increased duties would apply to imports of wheat, corn, sunflower meal, and [other products](#) classified under Chapters 10, 12, 14, 15, and 23 of the EU Combined Nomenclature. The new tariffs will increase to either 95 Euros per ton or an ad valorem duty of 50 percent. In addition, Russia and Belarus will no longer have access to any of the EU's WTO quotas on grain that offer better tariff treatment for some products.

**Special Provisions for Corn and Sorghum for Spain and Portugal – “Abatimento”:** Spain and Portugal's accession to the EU resulted in the application of common EU tariff barriers on Spanish and Portuguese imports. It consequently reduced the competitiveness of imports from non-EU countries. An agreement between the EU and the United States allows for the import of a fixed quantity of non-EU corn and sorghum at a preferential import duty as compensation for the loss of the Spanish and Portuguese markets. The current agreement applies to 2 million MT of corn and 0.3 million MT of sorghum for Spain, plus a quota of 500,000 MT of corn for Portugal. Amounts are reduced by any quantity of grain substitutes (e.g., starch residues and citrus pulp) imported during the same year. Flint corn is not permitted to be included within these concessions. [Regulation 2020/760](#) has amended the management of this scheme. Since April 1, 2021, the former bidding system was replaced by the automatic fixation of zero duty (TRQ) from April 1 of each year (i.e., the normal import regime would apply from January 1 until March 31).

## **EU Agricultural Trade Policy with Ukraine**

In February 2022, Russia launched an unjustified invasion of [Ukraine](#), which continues to put pressure on global food security as both countries are major exporters of feed and grains products. The grains sector has been impacted by disruption in trade flows and increased input prices, such as energy, fertilizers, and pesticides.

- Since the beginning of the war, the EU has tried to respond to the disruptions in the supply chains for agricultural products, especially grains and feed.<sup>27</sup>
- In July 2023, the Commission implemented a €100 million support package for farmers in Bulgaria, Hungary, Poland, Romania, and Slovakia producing grains and oilseeds. This package was adopted to mitigate the effects of logistical bottlenecks resulting from the imports of certain agri-food products from Ukraine.
- Following intense pressure from Bulgaria, Hungary, Poland, Romania, and Slovakia, the Commission adopted temporary preventive measures on imports of a limited number of products from Ukraine under the exceptional safeguard of the Autonomous Trade Measures (ATM) Regulation. The measures concern only four agricultural products including wheat and corn originating in Ukraine. Between May 2, 2023, and September 15, 2023, wheat and corn from Ukraine continued to be released for free circulation in all the Member States of the European Union other than the five frontline Member States. There was no prolongation of the measures after September by the European Union, which led to different actions at the Member State level:

**Romania:** From October 2023 onwards, Ukrainian wheat, corn, rapeseeds, and sunflower seeds can enter Romania only after passing through an import licensing procedure. In December 2023, the legal framework setting the import requirements and the authorization procedure was amended with wheat flour and sugar being added to the list of regulated products. Based on its provisions, an import authorization could be issued only at the request of animal feed manufacturers, oil producers, millers, bakers, sugar producers, and livestock farmers. The Romanian government has issued no import authorization for any of these six Ukrainian-origin products so far. These rules are currently valid until June 30, 2024. Additional details available in the [link](#) (Romanian language).

**Bulgaria:** Since December 2023, Bulgarian imports from Ukraine are regulated by licensing and quotas, agreed by with the Ukrainian authorities. Information about the import regime is available on the Bulgarian Ministry of Agriculture [website](#). The step by step [procedure](#) followed by involved parties is also described there. The authorities publish information about requests for imports [weekly](#). Nevertheless, imports from Ukraine remain very limited compared to the last season and consist mainly of oilseeds, sunflower seeds, and rapeseeds.

**Hungary:** In defiance of the European Commission’s Decision, Hungary maintained the import ban on grains and oilseed imports from Ukraine and expanded the restrictions on September 16, 2023, including further [products](#) (information available in Hungarian language).

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<sup>27</sup> For more information about the EU’s response until March 2023, please see [GAIN Report European Union: Grain and Feed Annual \(April 2023\)](#).

**Poland:** After the European Commission lifted the ban on the import of four agricultural products to the EU on September 15, 2023, the government in Poland unilaterally maintained the ban for an indefinite period. Wheat flour, its milling products, and rapeseed meal have been added to the banned products. The Polish government's position has not been changed by the complaint against Poland lodged by the Ukrainian government with the World Trade Organization (WTO). The ban on the import of selected products does not extend to their transit. Currently the governments of Poland and Ukraine are negotiating a bilateral agreement on a system of import licensing of products.

**Slovakia:** In April 2023, Slovakia instituted an import ban on four agricultural commodities (wheat, corn, rapeseed, and sunflower seeds) from Ukraine. The ban was prompted by the detection of prohibited pesticide traces in wheat by state authorities. In late November 2023, the current government extended the ban indefinitely, which was initially set to expire at the end of 2023, and expanded the list to 14 banned commodities, including sugar. The full list of banned commodities is available in the [link](#) (Slovak language).

- Following the Commission's proposal published on January 31, 2024, on March 20, 2024, the EU Parliament and the EU Council reached an agreement to introduce safeguard clauses for duty-free imports of some Ukrainian grains within the framework of the Autonomous Trade Measures (ATM) Regulation which was put in place in June 2022 and then extended by one year in 2023. On March 27, Member States ambassadors agreed, once again, to additional limits on Ukrainian agricultural imports. On April 9, 2024, Members of the EU Parliament's Committee on International Trade (INTA) voted in favor of the provisional agreement on ATM Regulation. The text still must be approved at the plenary session of the European Parliament on April 22, 2024. The new version, which must now be agreed to by the EU Parliament and the Commission, establishes a current temporary suspension of import duties and quotas on Ukrainian agricultural exports and is set to expire on June 5, 2024. However, the text of the EU Parliament and Commission agreement introduces an emergency for particularly sensitive agricultural products such poultry, eggs, corn, oats, and groats. The reference period for triggering the emergency would include a reference period since mid-2021, 2022 and 2023, meaning that if imports of these products surpass the average volumes of these reference period, tariffs will be re-imposed. Moreover, the EU Parliament attained firm commitments from the EU Commission to act if there is a surge in Ukrainian imports of wheat.

## Maximum Levels of Nickel

In February 2024, the EU agreed to establish maximum levels for nickel in grains used as food. These levels will apply from July 1, 2026, onwards. Grains put on the market before that date may remain on the market until their minimum durability or use-by data. The newly established levels will be published as an amendment to [Commission Regulation \(EU\) 2023/915 of 25 April 2023 on maximum levels for certain contaminants in food](#). The Annex to this legislation will include the following addition:

**Table 14. Products covered by the new maximum levels of nickel<sup>28</sup>**

Product	Maximum level of nickel (mg/kg)
Durum wheat ( <i>Triticum durum</i> )	1.5
Rice except husked rice	1.5
Husked rice	2.0
Pseudo grains and millet	3.0
Oats	5.0
Other cereals	0.8

## Agricultural Biotechnology<sup>29</sup>

In the EU, commercial cultivation of genetically engineered (GE) crops is limited to one percent of the total corn area, which is concentrated in Spain and Portugal. Since 2015, nineteen EU countries have opted out of GE crop cultivation under [Directive \(EU\) 2015/412](#). GE corn is primarily used domestically as animal feed. Feed containing GE soybean is labeled as 'contains GE products.' The corn processing industry uses GE-free corn for food production, often sourced through identity-preserved programs. The EU annually imports 12 to 25 million MT of corn and byproducts, with over 20 percent estimated to be GE. U.S. corn exports to the EU declined significantly since 1998 due to slower GE trait approvals and the absence of an EU low-level presence policy.

## EU Plant Protection Products Policy

Plant protection products (PPPs) along with Maximum Residue Limits (MRLs) and import tolerances, are an increasingly important issue in the EU since there is a significant reduction in the number of active substances approved for use. [Regulation \(EC\) No 1107/2009](#) and [Regulation \(EC\) No 396/2005](#) regulate PPPs and MRLs, respectively. There is a regular review of active substances for which the approval is up for renewal, as well as their associated MRLs. Existing MRLs are also being reviewed through a process known as an 'Article 12' review.

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<sup>28</sup> Please note that the maximum level does not apply to cereals used to produce beer or distillates provided that the remaining cereal residue is not placed on the market for the final consumer as food.

<sup>29</sup> Additional information regarding Biotechnology in the EU, please consult the latest [EU Biotechnology Annual](#) GAIN report.

The [link](#) refers to a list indicating the upcoming MRL reviews under this Article 12 process. It is important to note that this list is not all-inclusive. Stakeholders are encouraged to actively engage early on in these review processes by reaching out to the applicant. Together with the applicant, they can ensure that the necessary data is available for review or if trials for data collection are in progress or should be initiated etc., especially if the substance is not used or authorized in the EU. Stakeholders are encouraged to engage with FAS on substances and MRLs of importance to their commodities and to check the USEU website for updates of the EU Early Alert.

EU Restrictions on the Use of Neonicotinoids: The EU has prohibited the use of three neonicotinoids (clothianidin, imidacloprid, and thiamethoxam) except for their application in permanent greenhouses since 2018, while a fourth one was banned in 2020 (thiacloprid). [Commission Regulation \(EU\) 2023/334](#) reduces the current EU maximum residue limits (MRLs) for clothianidin and thiamethoxam to the limit of determination (LOD) and will apply as of March 7, 2026. Imported products will then no longer be able to contain residues of these two neonicotinoids. The proposed reduction in MRLs is based on a stated interest in protecting pollinators in countries outside of the EU and is not related to food safety concerns.

Glyphosate: [Commission Implementing Regulation \(EU\) 2023/2660](#) is renewing the approval of the active substance glyphosate for 10 years, until December 15, 2033. The renewal is subject to certain new conditions and restrictions, such as the prohibition of pre-harvest use as a desiccant and the need for certain measures to protect non-target organisms. The placing on the market of plant protection products containing the active substance remains under the responsibility of Member States.

### **Deforestation-Free Supply Chains**

The European Commission adopted [Regulation 2023/1115](#), also known as EUDR (European Union Deforestation Regulation) aimed to prevent products causing deforestation entering the EU market. The proposal targets products which are identified by the Commission as the main drivers of deforestation including soybean, palm oil and related products. To sell any of the covered products<sup>30</sup> in the EU or export them from the EU, business operators will be required to provide extensive information about the product's origins, including the precise location(s) and general time of production. The requirements for economic operators will start on December 30, 2024. The Regulation establishes a country benchmarking system through which the EU Commission will assess the risk that countries, or parts thereof, produce relevant commodities and products that contribute to deforestation. Products sourced from standard- or high-risk origins must comply with additional risk assessment and mitigation procedures. During the legislative process, the European Parliament proposed adding corn to the list. While it was not in the final text, it is possible that it could be included in the upcoming revisions.

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<sup>30</sup> EUDR target products include cocoa, coffee, soy, palm oil, wood, rubber, and cattle.

## Other Provisions affecting U.S. Grains and By-Products Exports to the EU

Certificates used in U.S-EU grain and products trade: Trade of certain agricultural products between the United States and the EU has historically required that the products are accompanied by documents that certify the implementation of certain formalities (so-called non-customs formalities) under the EU agricultural legislation. These documents have so far been handled in paper format. The Commission intends to digitize the whole process by establishing an electronic system for DG AGRI non-customs formalities, known as ELAN. The European Commission services are drafting the specification for this future EU electronic system which will cover the following certificates used in U.S-EU grain and products trade:

- **Rice** Export Certificate issued by the United States of America Association for the Administration of Rice Quotas.
- Certificate of Conformity for **Wheat** issued by the Federal Grain Inspection Service (FGIS).
- Certificate of Conformity for **Malting Barley** issued by the Federal Grain Inspection Service (FGIS).
- Certificate of Conformity and Commodity Inspection Certificate for **Corn Gluten Feed** issued respectively by the Federal Grain Inspection Service (FGIS) and the U.S. wet milling industry.

EU retaliation on U.S. Section 232 Safeguard Measures on EU Steel and Aluminum Temporary Suspension: On June 22, 2018, the EU imposed [additional tariffs](#) of 25 percent on **U.S. corn, semi-milled and milled rice**, and products in retaliation against U. S. safeguard measures on EU steel and aluminum ([Commission Implementing Regulation \(EU\) 2018/886](#)). On October 30, 2021, the United States and the EU agreed to end the dispute over U.S. steel and aluminum tariffs. On November 26, 2021, under [Commission Implementing Regulation \(EU\) 2021/2083](#), the EU suspended tariffs affecting U.S. agricultural products from January 1, 2022, until December 31, 2023. In December 2023, the EU announced a 15-month extension of the truce, which would result in no retaliation tariffs until March 31, 2025.

U.S.-EU WTO Cases on Aircraft Subsidies: On November 9, 2020, the European Union announced retaliatory tariffs against U.S. exports following the World Trade Organization's (WTO) ruling that authorized the EU to take such countermeasures due to U.S. subsidies to aircraft maker Boeing. The European Commission published [Implementing Regulation 2020/1646](#) that outlined the list of products subjected to a 25 percent additional tariff. The Regulation entered into force on November 10, 2020. **Wheat other than durum** were listed. In June 2021, the European Union and the United States reached an understanding in the large civil aircraft dispute. On July 9, 2021, the European Commission adopted [Implementing Regulation \(EU\) 2021/1123](#) suspending the application of tariffs until July 11, 2026.

## EU Rice Import Policy

Exports of rice to countries outside the EU are subject to the issuance of an export license. Period of validity is until the end of the second month following application. Rice products for which an import license is required are as follows:

**Table 15. Rice Import Tariffs to the EU**

HS Code	Type of Rice	Duty (Euros/MT)	Security (Euros/MT)
100610	Rice in The Husk (Paddy or Rough)	211	30
100620	Rice Husked (Brown)	30	30
100630	Milled rice	175	30
100640	Milled rice, broken kernels	65	1

Source: TARIC.

According to [Commission Implementing Decision 2011/884](#) on emergency measures regarding unauthorized genetically modified rice in rice products originating from China, since January 1, 2015, rice imports from China must be accompanied by a safety certificate and an analytical report showing that the products have been tested free from the presence of non-authorized GMOs.

Between January 2019 and January 2022, as a temporary measure to help protect EU farmers from competitively priced long grain rice, [Commission Implementing Regulation 2019/67](#) allowed the EU to impose safeguard measures to imports of Indica rice originating in Myanmar and [Cambodia](#). During this three-years' timeframe, tariffs amounted to €175/MT, €150/MT, and €125/MT in 2019, 2020, and 2021 respectively. Since January 2022, these duties reverted to zero. On November 9, 2022, the European Court of Justice (ECJ) issued a [ruling](#) cancelling the [Commission Implementing](#) regulation that allowed the EU to impose safeguard measures on imports from Cambodia and Myanmar.

A summary of the EU's preferential rice import regimes can be found in **Table 15**.

**Table 15. EU-27 Rice Import Preferential Regimes**

Regulation	Origin	Type of rice	Quantity (MT)
<a href="#">Regulation 2020/761</a>	All origins	100620	1,416 MT
	United States Thailand Australia India Pakistan Other origins	100630	80,175 MT
	United States Thailand Australia Guyana Other origins	100640	83,401 MT
	All origins except the UK		28,360 MT
<a href="#">Regulation (EC) 539/2014</a>	Bangladesh	100610, 100620 and 100630	Equivalent to 4,000 MT <sup>3</sup> of husked rice
<a href="#">Regulation 2023/2835</a>	All	Basmati (10062017 & 10062098)	No limit <sup>31</sup>
<a href="#">Regulation 978/2012</a>	<a href="#">EBA countries</a>	1006	No limit
<a href="#">Regulation 449/2010</a> (First come first served basis)	Egypt	<ul style="list-style-type: none"> <li>• 100620</li> <li>• 100630</li> <li>• 100640</li> </ul>	<ul style="list-style-type: none"> <li>• 23,185 MT</li> <li>• 81,149 MT</li> <li>• 92,742 MT</li> </ul>
<a href="#">Vietnam FTA</a>	Vietnam (from 2018)	100610 & 100620 100630 100610, 100620 & 100630	20,000 MT husked rice equivalent 30,000 MT MRE 30,000 MT of fragrant rice <sup>32</sup> MRE
<a href="#">Colombia and Peru FTA</a>	Peru	1006	40,800 MT
<a href="#">Regulation (EC) 924/2013</a>	Central America (Nicaragua, Panamá, Honduras, Costa Rica, El Salvador, Guatemala)	100620 and 100630	23,000 MT (in 2017)

Source: FAS based on EU law.

<sup>31</sup> Certificate of Authenticity required.

<sup>32</sup> Export Certificate required.

## Abbreviations used in this report

<b>CY</b>	Calendar year
<b>e</b>	Estimate (of a value/number for the current, not yet completed, marketing year)
<b>EC</b>	European Commission
<b>EP</b>	European Parliament
<b>EU</b>	European Union (Current EU-27, without the UK).
<b>f</b>	Forecast (of a value/number for the next, not yet started, marketing year)
<b>FAS</b>	Foreign Agricultural Service
<b>Coarse Grains</b>	Threshed, dry seeds of plant, cultivated for human/and or animal consumption and gathered in the dried, unprocessed state upon maturity. Is the total of corn, barley, rye, oats, mixed grains, and sorghum.
<b>GE</b>	Genetically Engineered
<b>Ha</b>	Hectares
<b>HRI</b>	Hotels, Restaurants, and Institutions
<b>IPAD</b>	International Production Assessment Division
<b>FSI</b>	Food, Seed, and Industrial
<b>MMT</b>	Million Metric Tons
<b>MRL</b>	Maximum Residue Limits
<b>MS</b>	EU Member State(s)
<b>MT</b>	Metric Ton (1000 kg)
<b>MY</b>	Marketing Year. July to June for all grains, except for corn which follows an October to September, and rice which follows a September to August calendar
<b>TDM<sup>33</sup></b>	Trade Data Monitor LLC.
<b>TY</b>	Trade Year. July to June for wheat, October to September for coarse grains, and January to December for rice
<b>UK</b>	United Kingdom
<b>U.S.</b>	United States

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<sup>33</sup> Trade figures throughout the report are based on Trade Data Monitor LLC. data, which are sourced from EU Member State customs data, and the U.S. Bureau of Census.

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## Related Reports

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<a href="#">EU Grain and Feed Annual 2023</a>	04/19/2023

## Attachments:

No Attachments