



*AHDB cereal exports **competitor report***

Romania

Harvest 2019

The main wheat production area in Romania is the Danube plain in the south of the country. Other important wheat-growing areas are Transylvania, the northern part of Moldova in north-eastern Romania and the Banat region in the south-west.

Romania received very significant rainfall since mid-April, with very heavy rains recorded in the frontier region with Hungary. However, rains arrived rather late in the season in Romania's southern and eastern regions and the barley crops in these areas had to survive with limited water availability for a longer time. Hence, yields varied considerably from region to region, depending on soil types and rainfall distribution. In late June, water reserves were excellent in western Romania, and the situation also bode well for the harvests in southern and eastern Romania. However, a small area of the south-east was still in the grip of a severe rainfall deficit.

Wheat and barley yields reached good levels, although wide regional disparities could still be observed at harvest time.

The wheat harvest totalled 8.1Mt and barley 1.2Mt.

Harvest 2019 – wheat quality (average)

- Test weight – 78.2 kg/hl
- Protein – 11.8%
- Hagberg Falling Number – 385 sec
- W (baking strength) – 163
- Wet gluten – 28%
- Moisture – 12.5%

Source: Ameropa

Exports

Romania is becoming an increasingly important exporter of grains, supplying many markets in south-eastern Europe, with grain coming by barge along the Danube. It is an important supplier to destinations in the eastern Mediterranean and Middle East, as well as to other EU countries. Egypt is generally Romania's biggest customer for wheat, but the country faces strong competition from supplies from Russia and Ukraine. EU countries such as Spain and Portugal are now large recipients of Romanian wheat.

Regarding barley exports, Saudi Arabia is the biggest customer, followed by Jordan, Algeria, Libya and Tunisia, but Iran and Spain are also major markets.

Spain, in particular, has become the main EU export market for Romanian wheat, as the country's imports exceeded 0.5Mt in recent years.

The majority of Romanian wheat and almost all of its barley is exported to markets outside of the EU.

Main ports in Romania

Thanks to its location and relatively large size among European countries, Romania has become a grain exporter, competing with its neighbours on the Black Sea. Constanta port is the main gate for agricultural transportation – the storage capacity in the port expanding continuously.

As a net grain exporter, Romania is heavily reliant on its transportation infrastructure to ship grain to the Black Sea. The port of Constanta is the main trading hub for agricultural commodities from not only Romania but also neighbouring Bulgaria, Hungary and Serbia.

Storage capacity in Constanta has been bolstered by the addition of Swiss company Ameropa's Chimpex terminal, which opened in June 2017. The new terminal adds 200,000 tonnes of storage capacity and has a berth that can handle up to 10 vessels at a time. The draught is sufficient for Panamax vessels.*

Larger stocks will exert pressure on Romania's storage and transportation infrastructure. Grain may be shipped by road, river and rail. Agricultural barge traffic on the Danube River to the port of Constanta has increased, but overland truck transportation remains the primary means of delivering most commodities to port. The port of Constanta is the primary port of embarkation and has flourished in recent years. However, infrastructural bottlenecks on road, rail and waterway persist. Romanian grain production shows good growth potential, but transportation and infrastructure issues threaten Romanian agricultural competitiveness.

*Source: World Grain Romania, April 2019

Contract specifications – bulk milling wheat

Delivery on future contracts out of port of Constanta	
Protein	11.5% min
Specific weight	76 kg/hl min
Wet gluten	23% min
Hagberg falling number	230 secs min
Moisture	14% max
Grain impurities	8% max
Misc. impurities	2% max
Bug damage	1.5% max

Source: <http://www.blackseagrains.net/information/black-sea-wheat-futures.-trading-specifications>

Romanian wheat and barley exports

Wheat

Unit (Tonnes)	2017		2018
Egypt	1,008,869	Egypt	1,066,594
Jordan	695,210	Spain	866,780
Spain	588,443	Jordan	755,805
Sudan	388,724	Italy	535,906
Morocco	381,122	Germany	315,160
Libya	278,530	Ethiopia	290,383
Israel	250,461	Libya	250,061
Turkey	240,856	Netherlands	210,595
Ethiopia	207,338	Israel	181,773
South Africa	202,871	Yemen	179,559
Djibouti	174,944	Sudan	175,438
Italy	160,697	UK	111,640
UAE	139,304	Greece	110,926
Vietnam	127,762	Belgium	96,141
Greece	96,313	Ireland	69,470

Source: Eurostat

Barley

Unit (Tonnes)	2017		2018
Saudi Arabia	639,852	Saudi Arabia	856,804
Spain	201,463	Libya	109,444
Iran	186,425	Tunisia	101,489
Turkey	64,075	Jordan	51,002
Libya	60,367	Kuwait	37,250
Jordan	52,008	Cyprus	28,357
Tunisia	27,500	Belgium	24,070
UAE	27,001	Turkey	21,489
Japan	25,851	Lebanon	19,030
Israel	24,452	Qatar	18,750

Source: Eurostat

Supply and demand

As at Dec 2019 1000 Mt	2018/19 Wheat	2018/19 Barley	2019/20 Wheat (Forecast)	2019/20 Barley (Forecast)
Beginning stocks	224	75	185	155
Production	8,460	1,501	8,197	1,294
Imports	1,125	242	1,052	233
Total supply	9,808	1,819	9,434	1,681
Exports	5,919	1,085	5,638	1,120
Feed domestic consumption	100	340	125	250
FSI consumption	3,148	155	3,156	148
Domestic consumption	3,705	579	3,738	482
Ending stocks	185	155	58	79

Source: Strategie Grains

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