



Foreign Agricultural Service

GAIN Report

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Bosnia Herzegovina

Grain and Feed

Crop Situation Update

2003

Approved by:

Paul Spencer-MacGregor

U.S. Embassy Vienna

Prepared by:

Sanela Stanojic

Report Highlights: Declining wheat production means that Bosnia and Herzegovina (BiH) will need to import an additional 100,000 MT in wheat this year. Insufficient access to credit limits the amount of imported wheat many mills are able to purchase. The corn crop is set to be the same as last year. Soybean area is increasing rapidly from a small base.

Includes PSD changes: Yes
Includes Trade Matrix: No
Unscheduled Report
Vienna [AU1], BK

Wheat and Barley

Last fall, there was a 35% decline in wheat area in Bosnia and Herzegovina (BiH)¹ compared to 2001/2002. Production will correspondingly decline by 35% to 95,000 MT. Due to bad weather conditions and heavy rainfall, the corn crop was harvested late and because farmers could not plant fall wheat and barley, winter seeded area was lower. It is expected that MY 2003 wheat imports will increase by about 100,000 MT (from about 350,000 to 450,000 MT). Spring wheat will be sown on about 4,200 hectares. Total sown area for barley will be 19,465 ha and an average barley yield is around 2.5 MT/ha.

Corn

Because of decreased winter wheat area and crop rotation, an increase was expected in corn and soybeans area this spring. However, it seems that the corn area will be almost the same as of last year's or about 227,000 ha. Last year's production of corn was good in BiH, around 912,000 MT with an average yield of 4 MT/ha. This is an increase of 30% over last year. This year's production is expected to be at the same level.

Soybeans

Soybean area will increase by 40%, from around 3,500 to about 5,000. This increase is mainly in the Republika Srpska and probably resulted from this year's subsidy policy which is to support producers with area payments of 50 KM/ha (\$27.50/ha).

Imports of U.S. Wheat

Under the food aid/monetization program 54,000 MT of U.S. wheat has been imported since the beginning of MY 2003. The wheat was mostly sold to large buyers such as Klas Sarajevo, Mlin Ljubace and Zitopomet Mostar. There are a number of small mills that did not successfully bid on these shipments of wheat but would like to buy U.S. wheat for blending. A list of BiH mills/buyers is given in Annex I.

Policy

Coordination between the two 'Entities' on agricultural policy is far from complete. In the Federation, this year's subsidy plan has not been announced yet. The Republika Srpska only supports soybean producers at this time with an area payment.

¹Under the 1995 Dayton Peace Agreement, Bosnia Herzegovina (BiH) is divided into two Entities: the Federation of Bosnia and Herzegovina (F BiH) and Republika Srpska (RS). Due to this dual governmental structure there is no common agricultural policy at the national level. Also, there is no official crop data available on countrywide basis and producer support programs vary by Entity. F BiH accounts for roughly a quarter of the country's wheat production, and the RS accounts for three-quarters.

| | | | | | | |
|------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| PSD Table | | | | | | |
| Country | Bosnia-Herzegovina | | | | | |
| Commodity | Wheat | | | | (1000 HA)(1000 MT) | |
| | 2001 | Revised | 2002 | Estimate | 2003 | Forecast |
| | USDA Official[Old] | Post Estimate[New] | USDA Official[Old] | Post Estimate[New] | USDA Official[Old] | Post Estimate[New] |
| Market Year Begin | | 07/2001 | | 07/2002 | | 07/2003 |
| Area Harvested | 103 | 0 | 110 | 110 | 0 | 72 |
| Beginning Stocks | 191 | 130 | 160 | 169 | 107 | 116 |
| Production | 269 | 0 | 297 | 297 | 0 | 195 |
| TOTAL Mkt. Yr. Imports | 400 | 0 | 350 | 350 | 0 | 450 |
| Jul-Jun Imports | 400 | 0 | 350 | 350 | 0 | 450 |
| Jul-Jun Import U.S. | 0 | 0 | 0 | 107 | 0 | 54 |
| TOTAL SUPPLY | 860 | 130 | 807 | 816 | 107 | 761 |
| TOTAL Mkt. Yr. Exports | 0 | 0 | 0 | 0 | 0 | 0 |
| Jul-Jun Exports | 0 | 0 | 0 | 0 | 0 | 0 |
| Feed Dom. Consumption | 150 | 0 | 150 | 150 | 0 | 100 |
| TOTAL Dom. Consumption | 700 | 0 | 700 | 700 | 0 | 650 |
| Ending Stocks | 160 | 169 | 107 | 116 | 0 | 111 |
| TOTAL DISTRIBUTION | 860 | 169 | 807 | 816 | 0 | 761 |

| | | | | | | |
|------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| PSD Table | | | | | | |
| Country | Bosnia-Herzegovina | | | | | |
| Commodity | Corn | | | | (1000 HA)(1000 MT) | |
| | 2001 | Revised | 2002 | Estimate | 2003 | Forecast |
| | USDA Official[Old] | Post Estimate[New] | USDA Official[Old] | Post Estimate[New] | USDA Official[Old] | Post Estimate[New] |
| Market Year Begin | | 10/2001 | | 10/2002 | | 10/2003 |
| Area Harvested | 213 | 0 | 228 | 0 | 0 | 227 |
| Beginning Stocks | 50 | 0 | 64 | 0 | 101 | 0 |
| Production | 640 | 0 | 912 | 0 | 0 | 908 |
| TOTAL Mkt. Yr. Imports | 194 | 0 | 50 | 0 | 0 | 60 |
| Oct-Sep Imports | 194 | 0 | 50 | 0 | 0 | 60 |
| Oct-Sep Import U.S. | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL SUPPLY | 884 | 0 | 1026 | 0 | 101 | 968 |
| TOTAL Mkt. Yr. Exports | 0 | 0 | 0 | 0 | 0 | 0 |
| Oct-Sep Exports | 0 | 0 | 0 | 0 | 0 | 0 |
| Feed Dom. Consumption | 745 | 0 | 850 | 0 | 0 | 900 |
| TOTAL Dom. Consumption | 820 | 0 | 925 | 0 | 0 | 975 |
| Ending Stocks | 64 | 0 | 101 | 0 | 0 | 94 |
| TOTAL DISTRIBUTION | 884 | 0 | 1026 | 0 | 0 | 1069 |

Annex I

1. Zitopromet Mostar
Mile Budaka 97
88000 Mostar
Tel/Fax 036 310 205, 310 160

2. Klas Sarajevo
Paromlinska 33-39
71000 Sarajevo
Tel: ++387 33 655 873
Fax: ++387 33 640 549

3. Husinski rudar
75214 Ljubace, Tuzla
Tel/Fax 035 808 538,808 539 and 808 540

4. PIK AD Samac
Njegoseva 24
76230 Samac
Tel. +387 54 611 474 and 611 295
Fax: +387 54 611 076

5. Dukat Mlin I Pekara
Gazi Ferhat Bega bb
74264 Jelah
Tel. +387 61 133 048
Fax: +387 32 664 485

6. Zitopromet Bijeljina
Mese Selimovica 45
763000 Bijeljina
Tel: +387 61 515 698
Fax: +387 55 202 025

7. Mlinpek D.D. Bugojno
Gornjevakufska
70230 Bugojno
Tel: +387 30 252 002

8. Cosic - Mlinoprodukt
76212 Krepsic
Brcko
Tel: +387 49 861 247 and 861 246
Fax: + 387 54 861 384
Cell: +387 65 532 100

9. Mlinpek Prnjavor
Magistralni put bb
78430 Prnjavor
Tel: +387 65 523 304
Fax: + 387 51 860 544

10. DOO Zitoprerada Prijedor
Svetosavska bb
Omarska, Prijedor 79101
Tel/Fax: +387 52 333 313 and 333 008
Cell: +387 65 528 192