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## Croatia

**Post:** Zagreb

### Grain Report 2010

**Report Categories:**

Grain and Feed

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**Report Highlights:**

This report contains final data for MY 2009/10 [wheat: July/Jun, corn: October/September], predictions for the MY 2010/11[wheat: July/Jun, corn: October/September], and analysis of the latest developments on the Croatian grain market.

**General Information:**

Final Data for MY 2009/10:

According to the latest data from the Croatian Central Bureau of Statistics (CCBS), Croatia produced 903,907 metric tons (MT) of wheat, harvested from 180,781 hectares. Croatia is forecast to export roughly 300,000 MT of wheat during MY 2009/10. According to CCBS, Croatia produced 2.2 million MT of corn from 297,000 hectares and is forecast to export 370,000 MT during MY 2009/10. CCBS also reports that Croatia planted 59,567 hectares of barley, which produced 244,225 MT, of

which an estimated 30,000 will be imported during MY 2009/10.

#### MY 2010/11 Forecast:

MY 2010/11 grain production will depend greatly on the possibilities of Croatian farmers to sell certain crops. Because there is plenty of cheap wheat on the market, sources expect corn and soybeans area will increase. However, since winter wheat area is estimated at 142,000 hectares total wheat area for MY 2010/11, including spring wheat is estimated at around 200,000 hectares. Given that area and normal year, MY 2010/11 total wheat production is forecast at 900,000 MT and exports at approximately 300,000 MT. In 2010/11, corn is forecast to be sown on approximately 320,000 hectares and production is expected to be about 2.3 million MT. This will result in a small surplus, with potential exports of 300,000 MT. Barley is expected to be sown on about 60,000 hectares, with a forecast production of 245,000 MT and potential imports around 30,000 MT.

#### Latest Development on Croatian Grain Market:

- According to the newly published Law on the Management of the Market of Agricultural Products, in certain market situations the Government of Croatia can proscribe temporary import and export permits for grain.
- At the moment the Croatian milling company Djakovstina is undergoing bankruptcy and, in addition, is suspected of stealing wheat from the state reserves and from farmers for whom Djakovstina warehoused wheat. Reports indicate that 2,000 MT of wheat and 1,000 MT of corn from State Reserves, valued at \$ 0.47 million (Kn 2.5 million), and that approximately \$ 2.71 million to \$ 3.4 million (Kn 14.5 million to Kn 18 million) from farmers' and cooperatives' stores are missing from Djakovstina warehouses. Croatia has a total 33,000 MT of wheat in State Reserves, stored in 10 different warehouses. State Reserves of corn are stored in 3 warehouses.

This is not the first time that State Reserve grain has gone missing but it is the first time that farmers' grains have been 'lost' and it is the first time the a warehouse receipt system has been used in Croatia. Thus, this is a poor start for the warehouse receipts that Croatia is trying to institute in an attempt to interest farmers in storing grain and becoming more flexible in their sales decisions so that they can obtain better market prices.

#### Tariffs:

Tariffs and quota information can be found at [www.carina.hr](http://www.carina.hr), or from the USDA/FAS office in Zagreb by contacting Andreja Misir, USDA/FAS, Agricultural Specialist, [andreja.misir@usda.gov](mailto:andreja.misir@usda.gov).

Exchange rate on February 5th, 2010: \$1 = Kn 5.346326