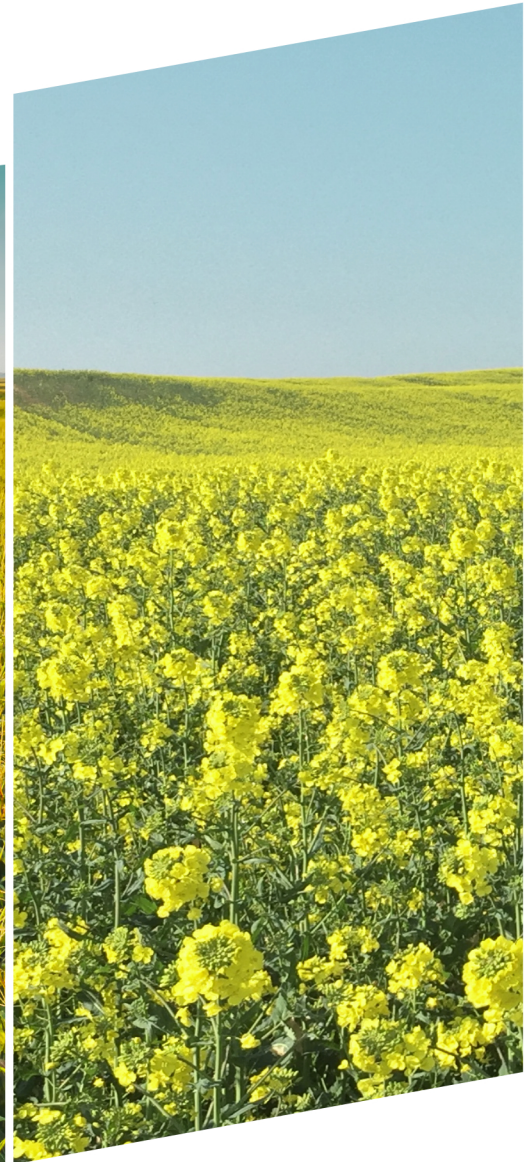
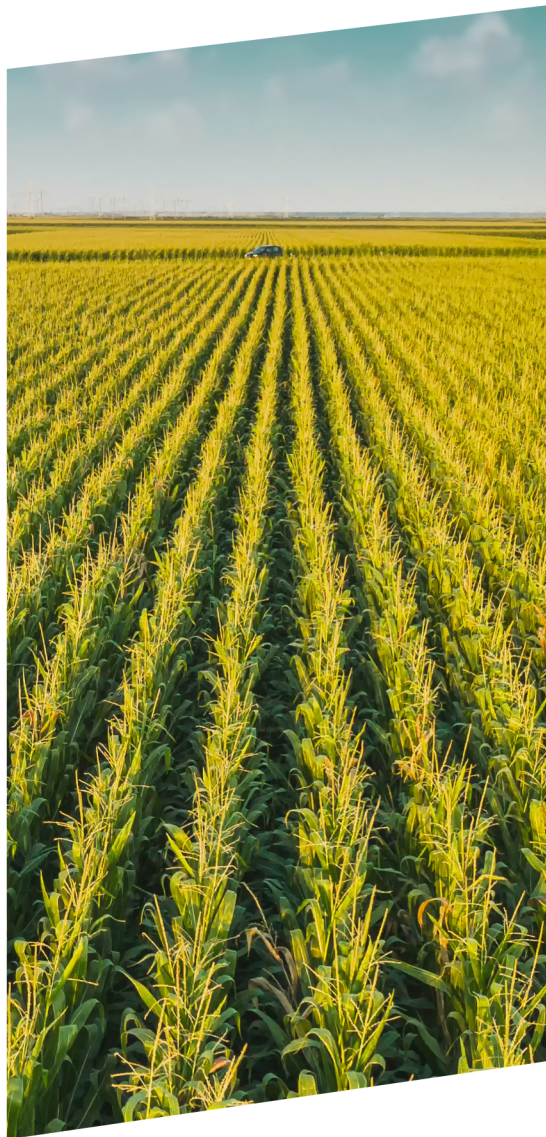


# NON-GMO SOY NON-GMO MAIZE NON-GMO RAPESEED



## HIGHLIGHTS

The following points summarise the major trends and recent developments that affect Non-GM supply & demand within the EU in the current 2023/24 marketing year.

- Non-GM demand is expected to be easily covered in the EU during the 2023/24 season as the result of the abundant EU harvest of soybean, maize and rapeseed in 2023.
- Global grain prices – including the three crops – showed a downward trend in December-January, driven by rich harvests and comfortable outlooks in the key producer regions.
- Non-GM soy premiums leaped in December & January after Non-GM soy prices in the EU remained resistant to the price decline of GM soy on the global markets.
- In the mid-term, land use shifts from cereals to soy are expected within the EU arable crop sector. This trend is partly supported by a growing demand for plant proteins.
- Brazilian weather and crop progress remain a critical watchpoint for the oilseed and maize market. Soy and maize harvests are expected in March-May in South America.



Facts and figures regarding soy come from the Donau Soja Market Report. The report is published monthly and provides information on the soy industry with a special focus on the European Non-GM market. The Donau Soja Market Report includes news on market developments and forecasts as well as price, supply and demand data.

## NON-GMO SOY

### Highlights

- EU soy output grew by 33% to a record 3.0 million t in 2023. The huge harvest has improved the availability of EU Non-GM soy.
- In 2024, soy area in the EU is forecast to expand by 5-10% as the result of favourable market conditions, such as relatively high soybean prices.
- EU Non-GM soy prices remained resistant to the recent 10-15% price decline in the global soy markets. Bologna stock market soybean price moved at 450 EUR/t in early February.
- Non-GM HP soy meal premium in Germany increased to over 140 EUR/t in January, a level last seen two years ago.
- Non-GM soy output in Brazil is forecast to drop by 15-20% to 2.3 million t in 2023/24. The overwhelming majority of this volume is exported to Europe and used as feed in the livestock sector.

### Crop forecast

#### EU Harvest 2023

The EU harvested a record 3.0 million t of soybean in autumn 2023, up 33% vs 2022, according to the estimates of Donau Soja. The big EU harvest in 2023 was mainly due to the favourable weather conditions in the growing season and above average yields.

All soy produced in the EU is Non-GM. A rough estimation suggests that the EU soy output covers around 40-50% of its Non-GM demand.

#### EU Sowing Area 2024

In 2024, the soy area in the EU is likely to expand by 5-10% to a record of 1.1-1.2 million ha, according to some early estimates. The following market factors currently drive the EU soy area:

- Relatively high Non-GM soybean price levels compared with rival crops, such as maize;
- Declining but still relatively high fertiliser & energy prices (soy needs limited fertiliser);
- The relatively high soy yield in 2023 is likely to encourage some farmers to plant soy again.
- In autumn 2023, the wet conditions disrupted the sowing of winter crops<sup>1</sup> and drove some farmers to switch to spring crops.
- Long-term trends that are outlined in the following “Mid-term Outlook 2035” section.

<sup>1</sup> Winter crops are grains which are generally planted in the autumn, such as wheat, barley or rapeseed. Spring crops are generally planted in spring, e.g.: maize, sunflower and soybean.



## EU Mid-term Outlook 2035

The [DG AGRI mid-term outlook](#) forecasts that the soybean area in the EU-27 will expand by 30%, to 1.3 million ha by 2035, up from 1.0 million ha in 2023. The report expects to see a land use shift in the EU from cereals to soybean and pulses under the reviewed period (2023-2035). This land use shift is driven by expectations of:

- lower demand for cereals as feed,
- policy incentives to support crop rotation and the production of protein crops,
- growing demand for plant proteins and regional products,
- increase in GMO-free labelled products; and
- push for deforestation-free soybean.

## Price developments

In early February, Non-GM soybean prices moved at 450 EUR/t at the Bologna Exchange, a benchmark price for Non-GM soybeans in the EU. This price level is 3% lower when compared with its recent peak in late December 2023 (Figure 1).

Soy prices in the EU normally closely follow the Chicago Board of Trade (CBOT) which is the main benchmark for the global soy industry. But EU Non-GM soybean prices remained relatively stable despite the 10-15% decline observed at CBOT between November and early February. In this period, EU soy prices were supported (driven upwards) by the high level of crush margins (a gauge showing the profitability of soy processing) and the lack of Argentinian soymeal in the EU soy market.

High-protein (HP) Non-GM soymeal was offered for 630 EUR/t (spot price) in Northern Germany in early February, 2% lower than one month earlier. The price difference between HP Non-GM soymeal and its GM counterpart have climbed over 140 EUR/t by January in Northern Germany, a level last seen two years ago.

CBOT soybean future prices (May-24 contract) moved at 440 USD/t in early February, 10-15% lower than in November 2023. Over recent weeks, the key watchpoint remained the weather conditions and crop progress in Brazil, the biggest soy producer & exporter worldwide. Global soy prices have been driven downwards mainly by the record harvest prospects for South America in the 2023/24 season.

**Figure 1** Soybean price at the Bologna Exchange over the last 1 year (monthly avg.\*, EUR/t)



\*Price in August/Sep 2023 is estimated by Donau Soja, Feb 2024 price refers to price until 8 February.

Source: Bologna Exchange

## Non-GM supply & demand

Despite the good soy harvest in 2023, the EU remains dependent on Non-GM soy imports to satisfy its Non-GM demand. Brazil is traditionally the most important Non-GM soy exporter to Europe and plays an important role in ensuring the steady flow of Non-GM soy in the EU regularly from May onwards.

### Brazilian supply

The main soy harvest season in Brazil normally runs from March to April. The certified Non-GM soybean output in Brazil is predicted to slightly drop to 2.3 million t ( $\approx 1.5\%$  of the total harvest) in the current 2023/24 season, according to the estimation of the ProTerra Foundation. Despite a smaller harvest, this volume is still likely to be enough to cover the European Non-GM soy feeding programmes which are based on imports from overseas.

The lower Non-GM output in Brazil is explained by the lack of Non-GM demand in Europe and the low Non-GM premiums observed at the latest planting season in Brazil (Sep-Nov 2023). In the mid- and long-term, Brazilian farmers are likely to maintain Non-GM soy production only with the following market conditions:

- strong long-term commitments on the side of the European partners to buy Non-GM soy products from Brazil,
- stable and fair Non-GM premiums,
- increased transparency in the sector and
- clear communication between the partners.

# NON-GMO MAIZE

## Highlights

- The Non-GM maize supply in the EU is likely to remain plentiful and easily cover the Non-GM demand in 2023/24 due to the relatively good EU harvest in autumn 2023.
- EU maize output rebounded to 61.4 million t in 2023, up 15.6% compared to the drought affected crop in 2022.
- In 2024, maize production in the EU is forecast to slightly expand to 8.8 million ha / 63.7 million t.
- Euronext Non-GM maize price moved at 185 EUR/t in early February, down 10% vs three months ago.
- The current key watchpoint on the global maize market is weather news and harvest progress in South America.

## Crop forecast

### EU Harvest 2023

EU maize harvest was largely completed by November. According to DG AGRI's estimate, maize output increased by 15.6% to 61.4 million t in 2023.

This great expansion is explained by the relatively favourable weather conditions in the growing season (May–Sep 2023) and higher average yields of 7.3 t/ha in 2023 (vs 6.0 t/ha in 2022). Maize output rebounded in most EU maize producers after the historic drought trimmed yields in 2022.

### EU Area & output 2024

Focus in the EU is increasingly shifted to the maize sowing season which usually starts in April in Europe. COCERAL, a Brussels-based grain trade association, published its first [forecast](#) for the 2024 crop season. This early projection suggests that the EU maize area expand by 4.3% to 8.8 million ha in 2024 (Figure 2). EU maize output is tentatively estimated at 63.7 million t in 2024, up 3% year-on-year.

In autumn 2023, excessive rainfalls and wet soils hindered the sowing of winter wheat and barley in some major EU producers' countries, including France, Germany and Poland. Farmers will therefore have to switch to spring crops such as maize, spring barley, soybeans or sunflowers.

The above-average precipitation in the period of November to January 2023 has ensured that the water reserves in the soil have been replenished in most EU countries. This reduces the risk of dry conditions in these regions and provides a favourable environment for the sowing of spring crops, such as maize.

Below-average rainfall was recorded in southern Spain and France as well as in Italy and Greece. This year, maize area is expected to expand in France, the biggest producer in the EU.

### EU Mid-term forecast

DG AGRI's mid-term prognosis predicts that the EU maize area will expand slightly to 8.8 million ha by 2035 (from 8.5 million in 2023). Area planted with maize is projected to grow in the EU despite the expected land-use shifts of arable crops from cereals to soy & pulses in the 2023-2035 period. There could be a shift in maize area from southern to northern EU countries to adjust to changes in climatic conditions.

Maize yields are projected to increase by 4.5% up until 2035 thanks to positive developments in farming practices, such as precision farming or more crop rotation. Maize output is forecast to increase by 3% to 64 million t by 2035 (compared with 62.1 million t in 2021-2023) reflecting a bigger area and higher yields.

**Figure 2** Maize area development in EU-27 (million ha)



Source: DG AGRI data + COCERAL forecast



## Price developments

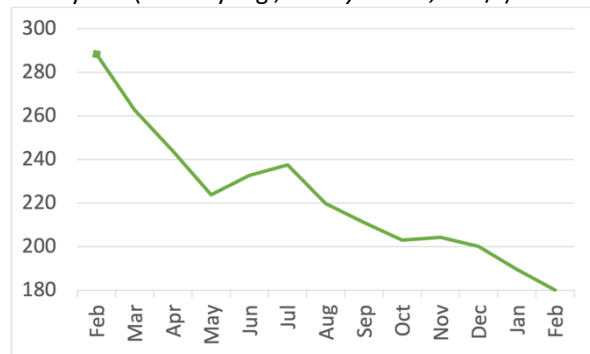
Maize price at Euronext (Europe's leading stock exchange for several agri-commodities, including maize) dropped below 180 EUR/t in early February and moved roughly 10% lower vs in Nov 2023 (Figure 3). The current price level is the lowest for more than three years.

Prices on the EU cash market also continued to fall in January. In the French Atlantic ports, maize was offered for 185 EUR/t at the end of January, 5% less than at the end of December. In north-western Germany, maize prices fell by 4% to 218 EUR/t in January.

The decline in maize prices followed the record harvests in the second part of 2023 in the USA and China, the two biggest producers worldwide.

The price trend in the next weeks will depend on the pace of sowing for the second maize crop in Brazil which is a major global maize exporter. Delays in the Brazilian soybean harvest could mean that maize cannot be planted at the ideal time. There are fears of yield losses and a reduction in the area under cultivation. Should this scenario materialize, it could lead to rising prices in the stock markets.

**Figure 3** Maize price on Euronext Paris (MATIF) over the last 1 year\* (monthly avg., nearby month, EUR/t)



\*February 2024 price refers to average price until 8 February  
Source: MATIF

## Non-GM supply & demand

The overwhelming majority – over 99% – of maize produced in the EU is non-GM. As the result of a good domestic crop in 2023, the Non-GM maize supply in the EU is likely to remain plentiful and easily cover the Non-GM demand in 2023/24.

Ukraine is likely to increase its share in the EU maize import at the expense of imports from Brazil in the current marketing season. GM share in maize production is 95% in Brazil and only 1% in Ukraine (see more info in Box 1).

### Box 1 BASIC INFO ON NON-GM MAIZE IN EU MARKET

The lion's share of maize and maize products in the EU market is Non-GM by origin. Non-GM maize is available in large quantities and hence has normally no higher price (premium) over GM maize.

In domestic maize production, GM maize is limited to less than 1% of the total EU maize output. GM maize is the only GM crop which is commercially produced in the EU. Spain and Portugal are the only EU members that have adopted GM varieties in maize production. In 2023, GM maize area in Spain occupied around 46,000 ha, 18% of the total Spanish maize area. Spain's GM maize area represents roughly 95% of the EU's total GM maize area, and the remaining 5% (1,500 ha) is in Portugal.

The EU relies on maize imports. Domestic maize production covered around 85% of the total EU maize consumption when calculated for the 5 years of 2018-2022. The yearly maize import of the EU-27 has ranged from 9 to 25 million t over the last 10 years.

USDA (United States Department of Agriculture) estimates that roughly 80% of the EU maize import is Non-GM. The main source of import is Ukraine, responsible for around 50-60% of the total EU maize import (5-year avg. of 2018-2022). Officially, there is no approved GM maize variety for cultivation in Ukraine but there is a limited amount – around 1% – of illegal GM maize production in Ukraine, according to the USDA estimations.

Brazil also plays an important role in supplying maize to the EU, accounting for roughly 25% of EU imports (5-year avg. of 2018-2022). The share of GM maize production covers a much higher proportion, around 95% of the total Brazilian maize cultivation. This means that the majority of maize from Brazil is GM.

# NON-GMO RAPE

## Highlights

- The EU's Non-GM rapeseed market is well supplied in 2023/24 as the result of a large EU harvest and abundant Ukrainian imports in 2023.
- EU-27 rapeseed area is forecast to decline by 2.7% to 6.0 million ha for the 2024 harvest, mainly due to lower rapeseed prices and unfavourable weather in the planting season.
- Non-GM rapeseed at Euronext was traded at 420 EUR/t in early February, down 5-10% lower vs price levels in November & December.
- Non-GM is expected to remain the normal quality in the EU rapeseed market in 2023/24, and hence has no higher price than GMO rapeseed.

## Crop forecast

### EU Area 2024

Rapeseed is a winter crop, EU farmers normally plant the seeds in October and the harvest is expected in July-August in the following year. The harvested crop is mainly used to make cooking oil, animal feed and biodiesel.

The EU rapeseed area is likely to decline by 2.7% to 6.0 million ha for the 2024 crop but still exceeds the multi-year average (Figure 4), according to the International Grain Council (IGC).

Rapeseed area in Germany, the biggest producer in the 27-nation bloc, has decreased by 4.7% to 1.1 million ha for the 2024 harvest, according to the German National Statistics Agency.

The following factors seem to have played a role in curbing rapeseed area in the latest sowing season (in autumn 2023):

- Dropping rapeseed prices and lower profit margins in the sector;
- Dry weather in some main producer regions during plantings (in Aug-Sep 2023).

## EU Crop progress & output 2024

The rapeseed crops in the EU have developed well so far. But in some regions, the unusual weather of recent months has impaired the development of winter crops. Heavy rainfall in December and January resulted in excess moisture and widespread flooding in key producer regions, such as north-western Germany and parts of the Baltic states.

In the Baltic republics and Scandinavia, frost damage is feared following a cold spell. It was significantly warmer than usual in Hungary, Slovenia, Croatia, Bulgaria, and Romania. The mild conditions in these regions boosted growth, but weakened cold tolerance and thus increased the risk of frost damage.

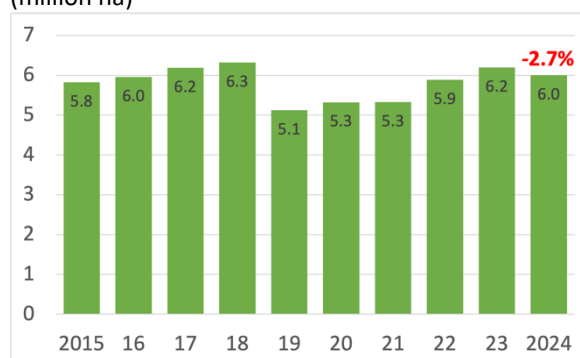
However, the magnitude of crop damage and/or acreage abandonment is still unclear at this point. EU rapeseed output is tentatively forecast to be 18.4 million t in 2024, according to Strategic Grains, a French-based crop consultancy. This volume would be 1.4 million t lower (-7%) compared to harvest 2023.

## EU Mid-term forecast 2035

DG-AGRI forecast the area cultivated with rapeseed to decline by 8% to 5.7 million ha in 2035 (from 6.2 million ha in 2023). EU rapeseed production is predicted to drop by 3.2% by 2035 (from 18.7 million t in 2021-2023).

The decline in rapeseed areas is mainly driven by a lower demand for biofuels in the EU. The share of rapeseed oil is expected to remain relatively stable at around 50% within the total (reduced) biodiesel feedstock.

**Figure 4** Rapeseed area development in EU-27 (million ha)



Source: Donau Soja based on DG AGRI data + IGC forecast



## Price developments

Rapeseed price at Euronext (Europe's leading stock exchange for rapeseed) dropped below 420 EUR/t in early February and moved 5-10% lower compared to November & December (Figure 5). Rapeseed trading in Paris (at Euronext) followed the declining trend of CBOT soybean futures over the recent months. Rape prices often react to soy and wider oilseed news closely because of the high potential of rapeseed as a substitute in protein feed and vegetable oil (e.g.: soy meal is often replaced by rape meal in feed).

Beyond soy prices, the following factors also played a key role in impacting global and EU rapeseed prices over recent three months:

- Reduction in rapeseed planting and slow rapeseed import in the EU;
- Palm oil and crude oil price developments;
- Harvest development in Canada & Australia, two major rapeseed exporters worldwide.

Rape meal was traded at 318 EUR/t from the Lower Rhine at the beginning of the year. By the end of January, the price had fallen to 283 EUR/t. Rape meal has thus returned to the price level of Oct 2023 and followed the fall in soy meal price.

**Figure 5** Rapeseed price on Euronext Paris (MATIF) over the last 1 year\* (monthly avg., nearby month, EUR/t)



\*February 2024 price refers to the average price until 8 February  
Source: MATIF

## Non-GM supply & demand

The EU's Non-GM rapeseed demand can be easily covered throughout the 2023/24 marketing season in view of the relatively good EU harvest in 2023. The availability of Non-GM rapeseed in the EU is also improved by Ukrainian deliveries. Ukraine, which harvested a record crop of 4.3 million t in 2023, is traditionally the most important rapeseed exporter to the EU and has a low level of GM varieties in its rapeseed fields (see more info in Box 2).

### Box 2 BASIC INFO ON NON-GM RAPESEED IN THE EU MARKET

Similarly to the maize market, the overwhelming majority of the rapeseed and rape meal traded within the EU is Non-GM by origin. For this reason, there is normally no premium for Non-GM rapeseed vs GM rapeseed in the market. In the EU-27, only Non-GM rapeseed is produced. But import is needed to supply the demand within the 27-nation bloc. A small part of this import is likely to be GM.

The EU-27 rapeseed import ranged between 2.5 and 7.1 million t over the last 10 years. In a longer-term comparison, the expected import volume is above average both in 2022/23 and 2023/24. According to a forecast by the European Commission, the EU-27 will import 5.8 million t of rapeseed in the 2023/24 marketing year, 1.0 million t less than it is estimated for 2022/23.

The rapeseed import in the EU-27 comes from countries with varying adoption rates of GM rapeseed. The main source of EU rapeseed import is Ukraine, which is traditionally the most important supplier of rapeseed, accounting for roughly 40% of the EU import. However, there is no legitimate commercial production of GM crops in Ukraine, USDA reported that around 10-12% of rapeseed production is GM in Ukraine.

Canada and Australia also play an important role in supplying rapeseed to the EU. Both countries have GM rapeseed varieties in commercial production. In 2023, the share of GM varieties in the total rapeseed (canola) area in Canada accounted for 95%, according to the [estimate of USDA](#). In Australia, the share of GM rapeseed (canola) was 26% in 2021 (this is [the latest data](#) published by the Agricultural Biotechnology Council of Australia).

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