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Project Acronym
CEEC AGRI POLICY

Project title
Agro economic policy analysis of the new member states, the candidate states and the countries of the western Balkan

Instrument Specific Support Action

Thematic Priority Scientific Support to Policies

ANNEX

SITUATION AND PERSPECTIVE OF THE CEREAL MARKET IN CZECH REPUBLIC, HUNGARY, POLAND & SLOVAKIA

Start date of project: 01.05.2005 **Duration**: 24 Months

Organisation name of lead contractor for this deliverable : EUROQUALITY

Revision Final

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Dissemination Level		
PU	Public	
PP	Restricted to other programme participants (including the Commission	X
RE	Restricted to a group specified by the consortium (including the Commission	
CO	Confidential, only for members of the consortium (including the Commission Services)	

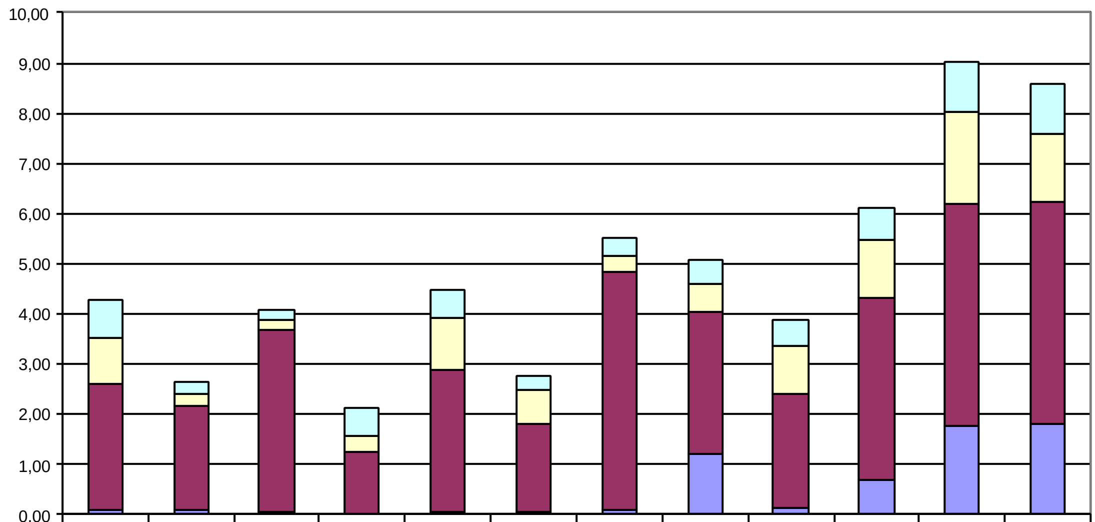
Content

Annex 2 : External trade development

Table 1 : export all ceteals (figures un Mn tonnes)

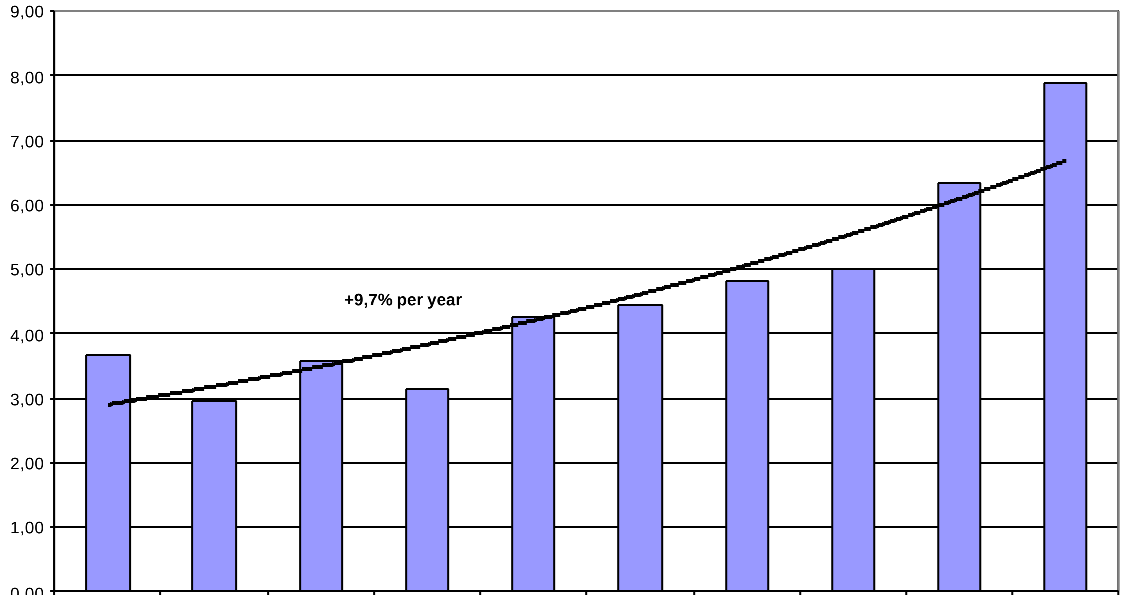
	Czech republic	Hungary	Poland	Slovakia
Trade balance	Net exporter	Net exporter	Approx balanced	Net exporter
Self sufficiency	120%	160%	100%	120%
Main exports	Wheat & barley	Maize &Wheat	Wheat	Barley & Maize

Export all cereals in Mn tonnes



	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Slovakia	0,77	0,21	0,22	0,53	0,56	0,27	0,35	0,48	0,51	0,62	0,99	0,98
Czech Republic	0,90	0,28	0,19	0,34	1,06	0,69	0,32	0,55	0,94	1,18	1,84	1,34
Hungary	2,52	2,07	3,61	1,22	2,80	1,76	4,75	2,85	2,26	3,63	4,43	4,42
Poland	0,09	0,08	0,07	0,03	0,07	0,05	0,10	1,20	0,15	0,68	1,76	1,82

Three-Year Moving Averages Of The Combined Cereal Exports Of The Four Countries (figures in Mn tonnes)



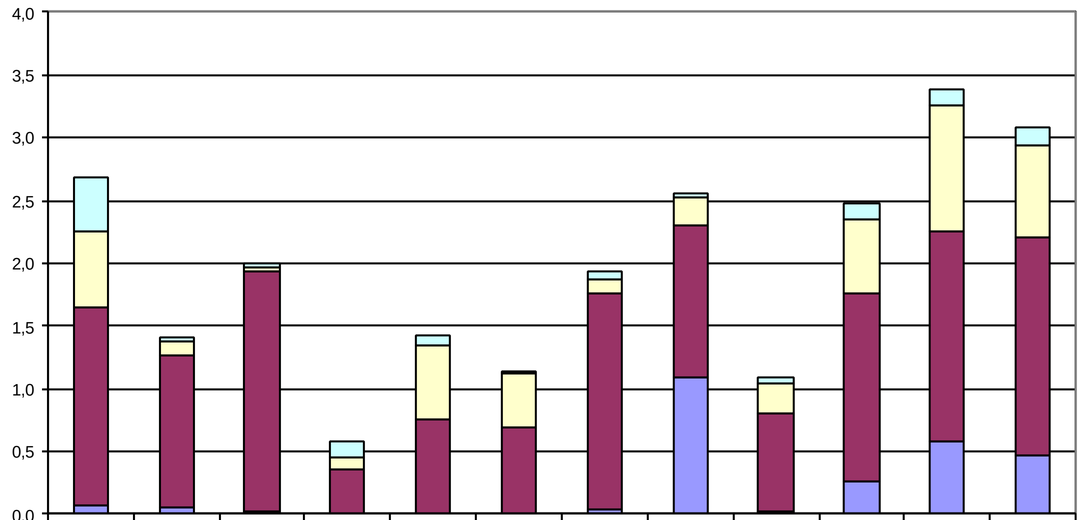
	95 to 97	96 to 98	97 to 99	98 to 00	99 to 01	00 to 02	01 To 03	02 to 04	03 to 05	04 to 06
4 countries	3,67	2,95	3,57	3,13	4,26	4,45	4,82	5,02	6,33	7,90

Table 2 : export of wheat (figures un Mn tonnes)

	Czech republic	Hungary	Poland	Slovakia
Trade balance	Positive	Positive	Negative	Approx balanced
Main export destination	Hungary & Poland	Extra EU-25, Greece, Germany, Italy Slovenia	Extra EU-25	

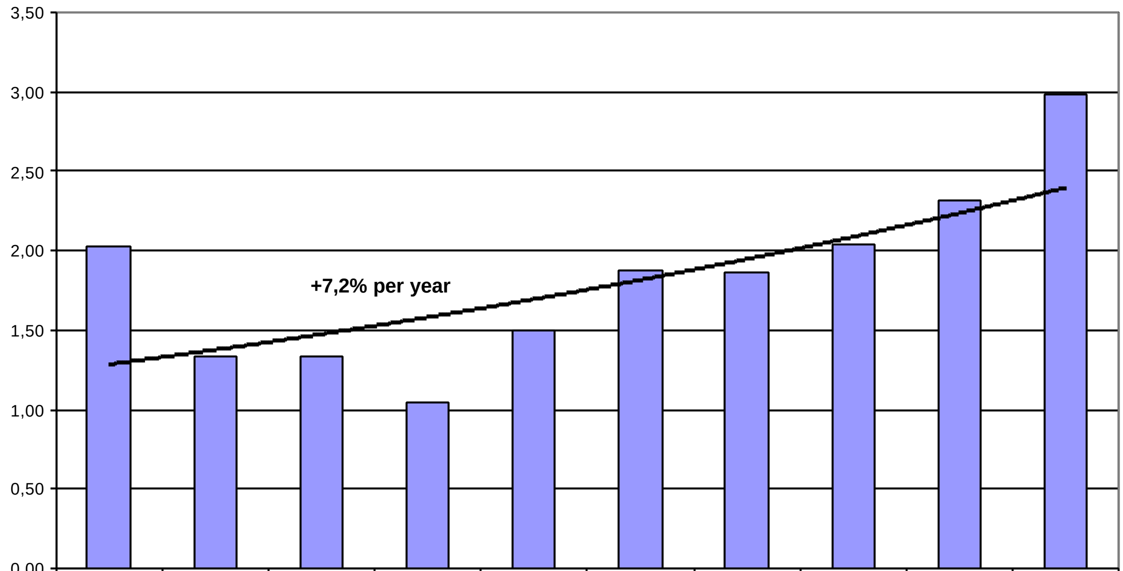
Source : Eurostat, figures for campaign 2001/2002 to 2004/2005

Export of Wheat in Mn tonnes



	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Slovakia	0,4	0,0	0,0	0,1	0,1	0,0	0,0	0,0	0,0	0,1	0,1	0,1
Czech Republic	0,6	0,1	0,0	0,1	0,6	0,4	0,1	0,2	0,2	0,6	1,0	0,7
Hungary	1,6	1,2	1,9	0,3	0,7	0,7	1,7	1,2	0,8	1,5	1,7	1,7
Poland	0,1	0,1	0,0	0,0	0,0	0,0	0,0	1,1	0,0	0,3	0,6	0,5

Three-Year Moving Averages Of Wheat Export Of The Four Countries
(figures in Mn tonnes)



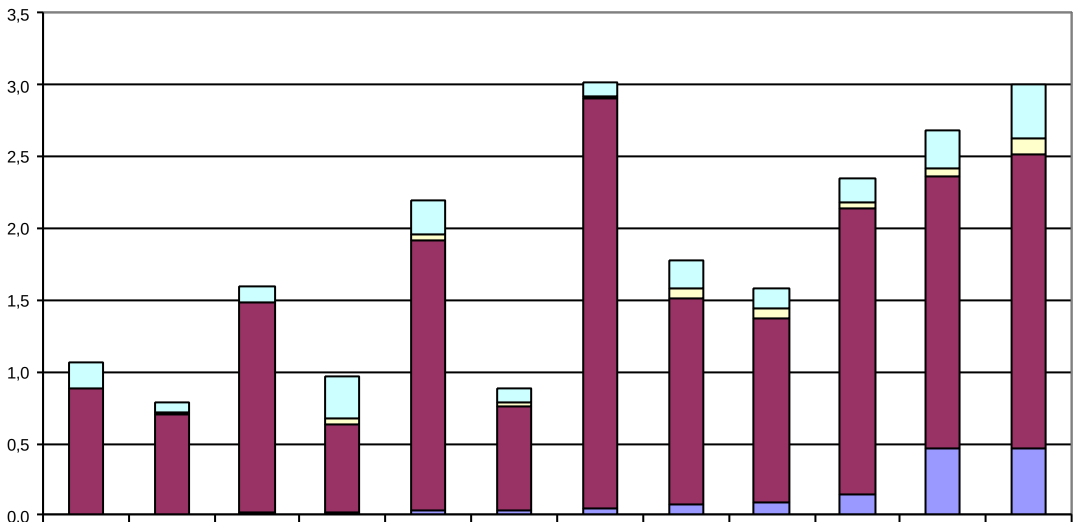
	95 to 97	96 to 98	97 to 99	98 to 00	99 to 01	00 to 02	01 To 03	02 to 04	03 to 05	04 to 06
4 countries	2,03	1,33	1,33	1,05	1,50	1,88	1,86	2,04	2,32	2,98

Table3 : export of maize (figures un Mn tonnes)

	Czech republic	Hungary	Poland	Slovakia
Trade balance	Approx balanced	Positive	Negative	Positive
Main export destination		Austria, Germany, Spain, extra EU25, Greece, Italy, Slovenia		Austria, Greece, Hungary

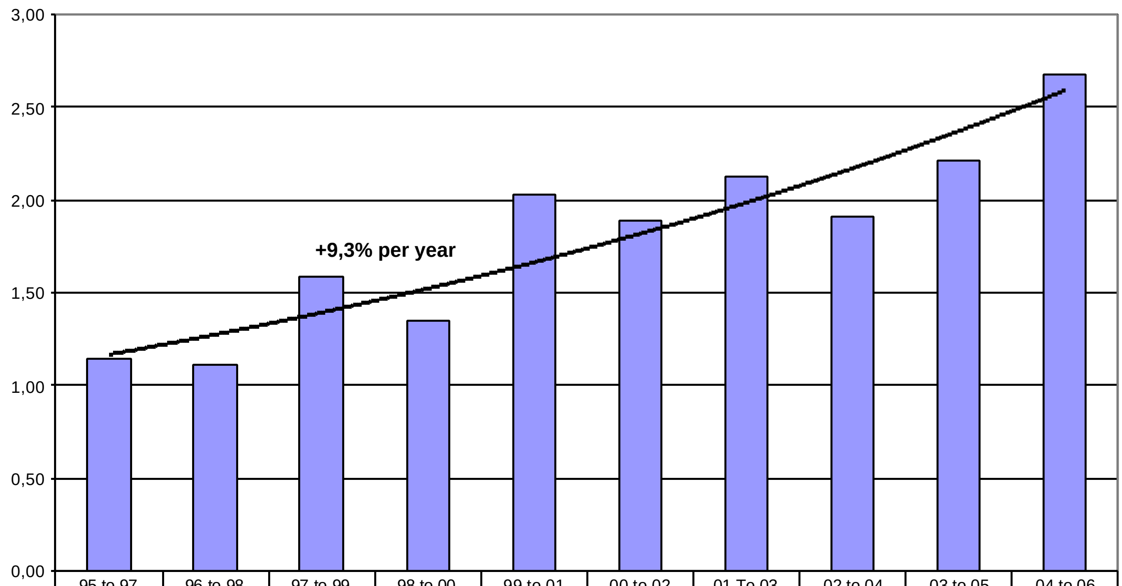
Source : Eurostat, figures for campaign 2001/2002 to 2004/2005

Export of Maize in Mn tonnes



	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Slovakia	0,2	0,07	0,10	0,29	0,24	0,09	0,10	0,19	0,14	0,16	0,27	0,38
Czech Republic	0,0	0,00	0,01	0,04	0,04	0,03	0,01	0,0691	0,0740	0,0470	0,047	0,100
Hungary	0,9	0,71	1,47	0,62	1,88	0,73	2,86	1,44	1,28	2,0	1,9	2,1
Poland	0,0	0,00	0,02	0,02	0,04	0,04	0,04	0,08	0,09	0,1	0,5	0,5

Three-Year Moving Averages Of Maize Export Of The Four Countries (figures in Mn tonnes)



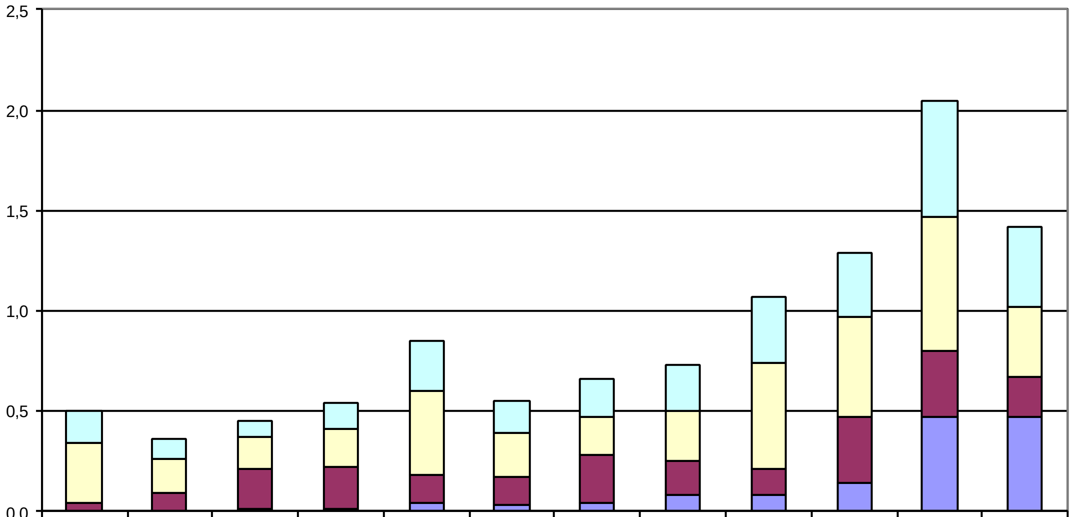
	95 to 97	96 to 98	97 to 99	98 to 00	99 to 01	00 to 02	01 To 03	02 to 04	03 to 05	04 to 06
4 countries	1,15	1,11	1,59	1,35	2,03	1,89	2,13	1,91	2,21	2,68

Table 4 : export of barley (figures un Mn tonnes)

	Czech republic	Hungary	Poland	Slovakia
Trade balance	Positive	Positive	Negative	Positive
Main export destination	Germany, Poland	Greece, Italy, Slovenia, Austria, Extra EU-25		Austria, Hungary

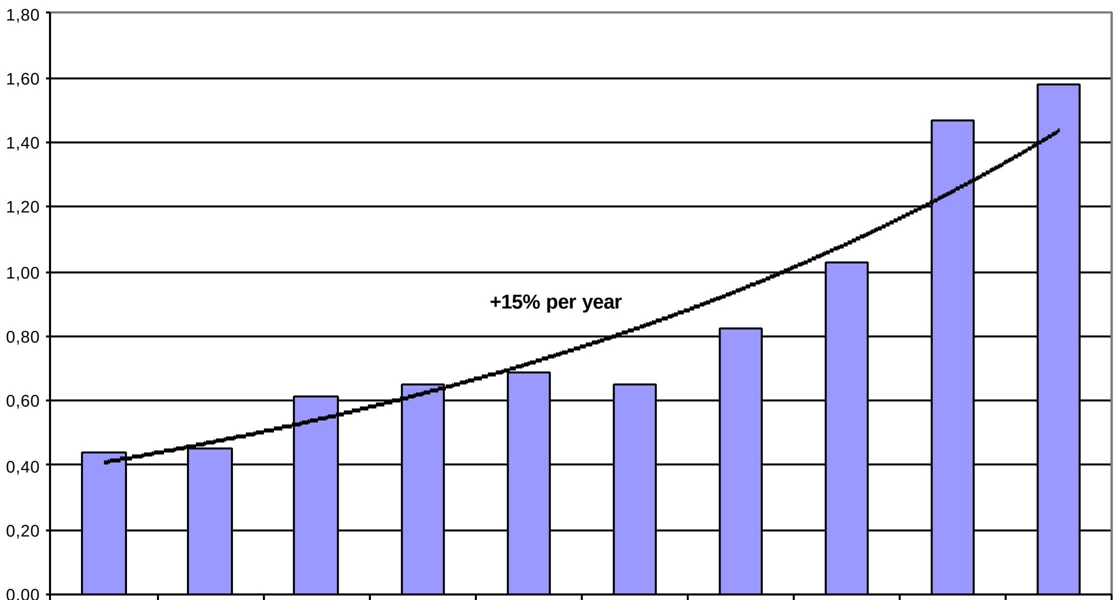
Source : Eurostat, figures for campaign 2001/2002 to 2004/2005

Export barley in Mio tonnes



	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Slovakia	0,17	0,10	0,08	0,13	0,24	0,16	0,19	0,23	0,33	0,31	0,57	0,40
Czech Republic	0,29	0,17	0,16	0,19	0,42	0,23	0,20	0,25	0,53	0,50	0,67	0,35
Hungary	0,04	0,09	0,19	0,20	0,14	0,13	0,24	0,17	0,13	0,32	0,33	0,20
Poland	0,0	0,00	0,02	0,02	0,04	0,04	0,04	0,08	0,09	0,1	0,5	0,5

Trend in exports of barley in Mio tonnes 4 countries

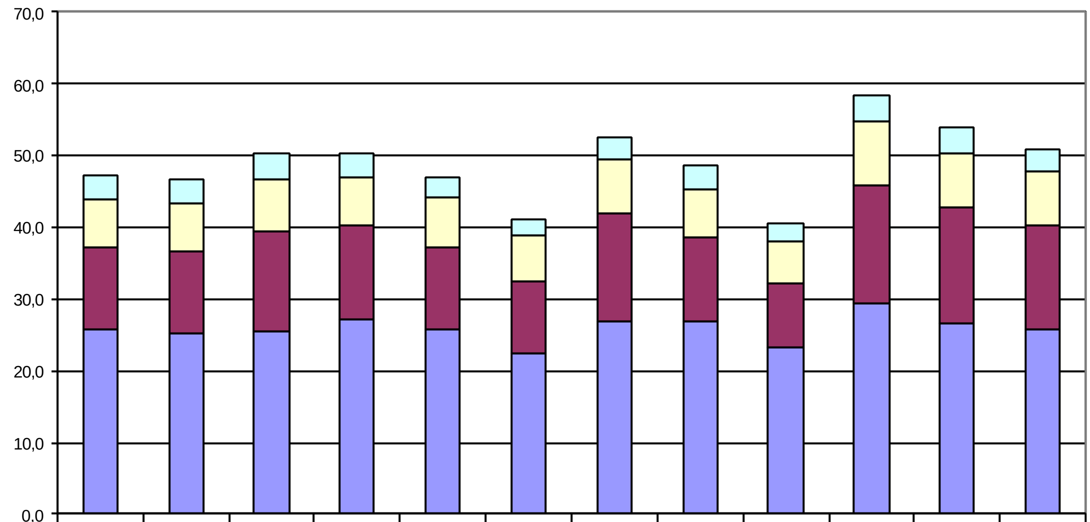


	95 to 97	96 to 98	97 to 99	98 to 00	99 to 01	00 to 02	01 To 03	02 to 04	03 to 05	04 to 06
4 countries	0,44	0,45	0,61	0,65	0,69	0,65	0,82	1,03	1,47	1,58

Annex 3 : production and production factors

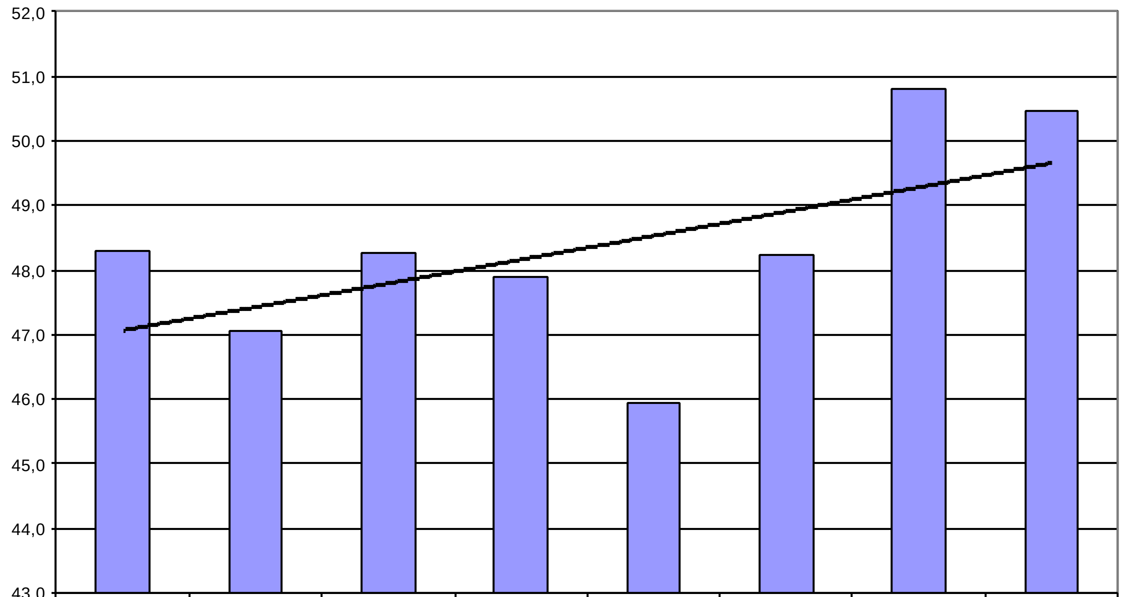
Production all cereals

Production all cereals in Mn tonnes



	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Slovakia	3,5	3,3	3,7	3,5	2,8	2,2	3,2	3,2	2,5	3,8	3,5	3,1
Czech Republic	6,6	6,6	7,0	6,7	6,9	6,5	7,3	6,8	5,8	8,9	7,7	7,3
Hungary	11,3	11,4	14,2	13,0	11,4	10,1	15,1	11,7	8,8	16,5	16,0	14,6
Poland	25,9	25,3	25,4	27,2	25,8	22,3	27,0	26,9	23,4	29,4	26,7	25,9

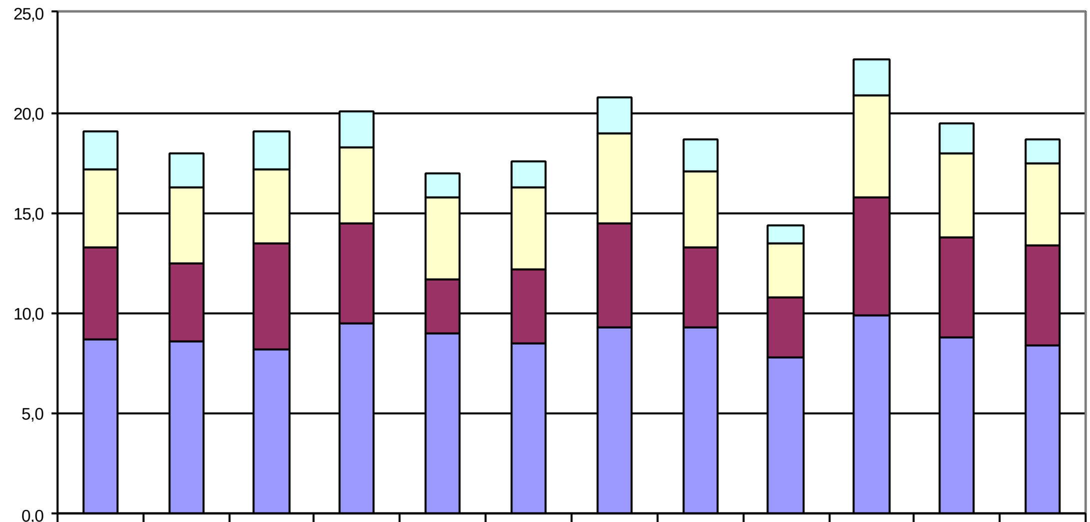
Trend production all cereals



	95 to 99	96 to 00	97 to 01	98 to 02	99 to 03	00 to 04	01 to 05	02 to 06
4 countries	48,3	47,1	48,3	47,9	45,9	48,2	50,8	50,5

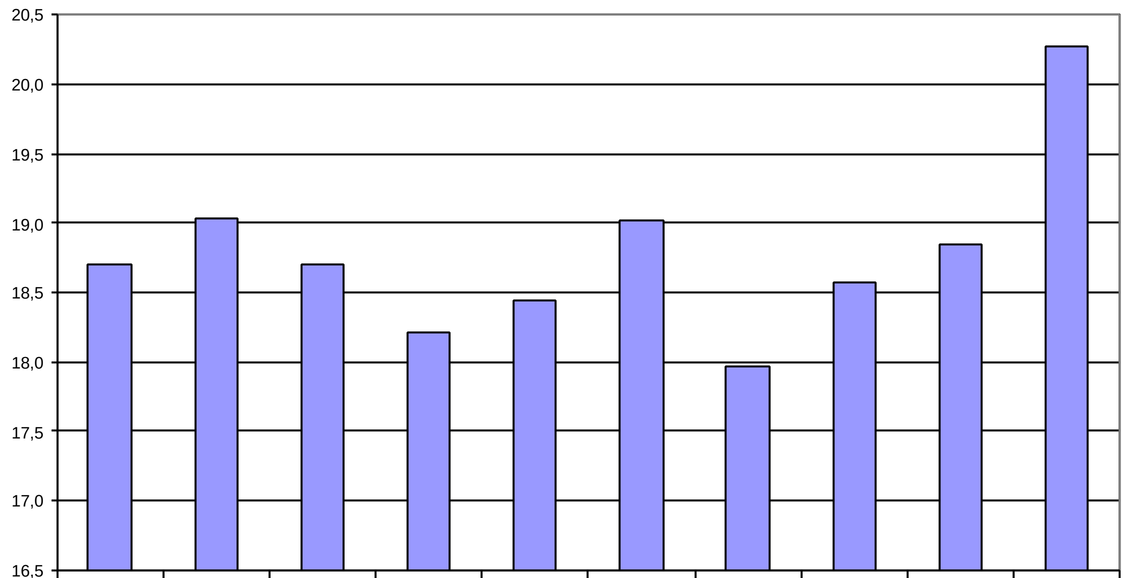
Production of Wheat

Production of Wheat in Mn tonnes



	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Slovakia	1,9	1,7	1,9	1,8	1,2	1,3	1,8	1,6	0,9	1,7	1,6	1,2
Czech Republic	3,8	3,7	3,6	3,8	4,0	4,1	4,5	3,9	2,6	5,1	4,1	4,0
Hungary	4,7	4,0	5,3	4,9	2,7	3,7	5,2	4,0	3,0	5,9	5,0	5,0
Poland	8,7	8,6	8,2	9,5	9,1	8,5	9,3	9,3	7,9	9,9	8,8	8,4

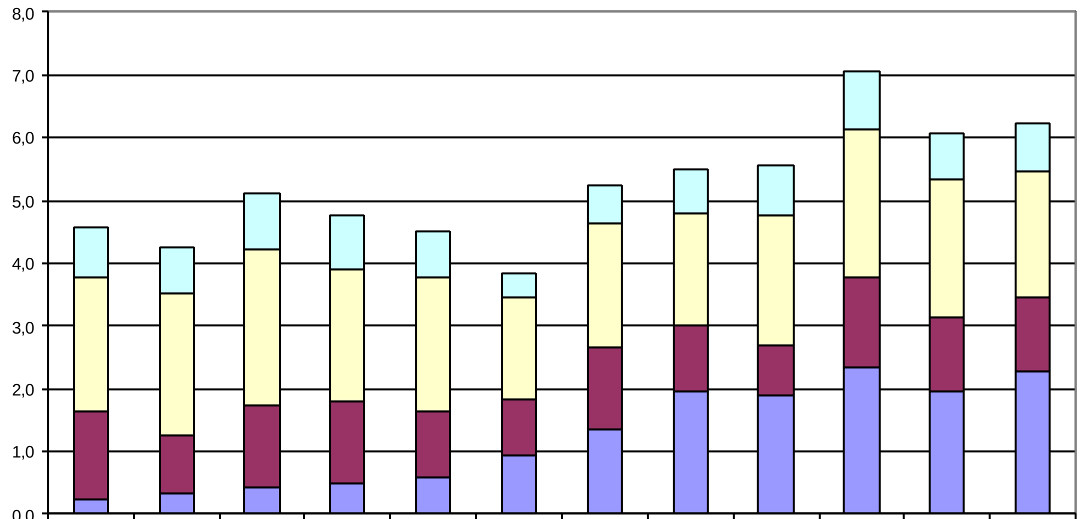
Three-Year Moving Averages Of Wheat Production Of The Four Countries
(figures in Mn tonnes)



	95 to 97	96 to 98	97 to 99	98 to 00	99 to 01	00 to 02	01 To 03	02 to 04	03 to 05	04 to 06
4 countries	18,7	19,0	18,7	18,2	18,4	19,0	18,0	18,6	18,8	20,3

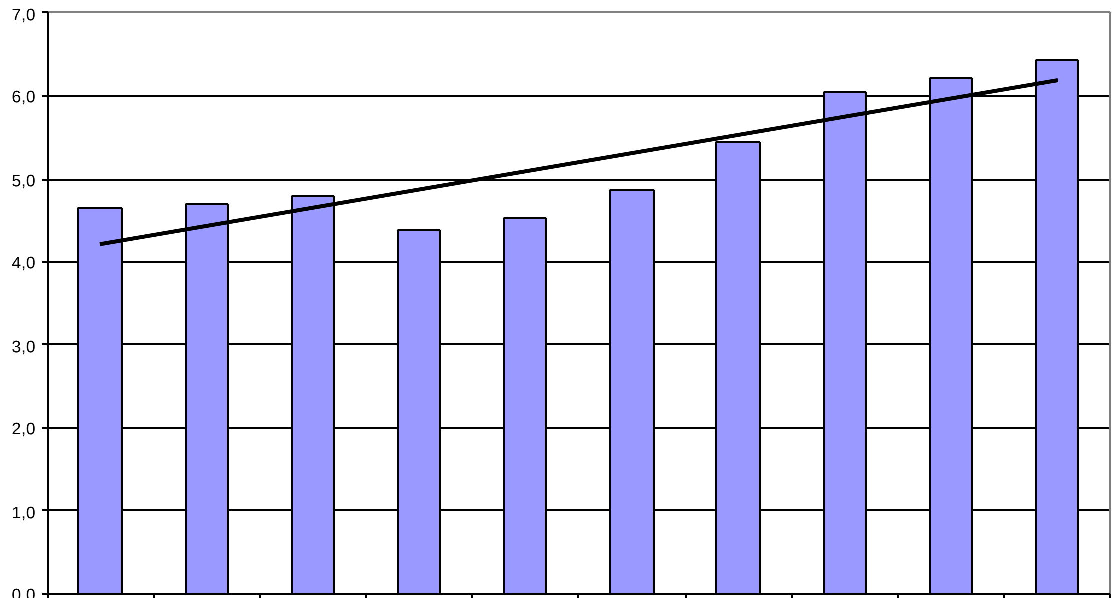
Production of Barley

Production barley in Mio tonnes



	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Slovakia	0,8	0,7	0,9	0,9	0,7	0,4	0,6	0,7	0,8	0,92	0,74	0,74
Czech Republic	2,1	2,3	2,5	2,1	2,1	1,6	2,0	1,8	2,1	2,37	2,20	2,02
Hungary	1,4	0,9	1,3	1,3	1,0	0,9	1,3	1,0	0,8	1,4	1,2	1,19
Poland	0,2	0,4	0,4	0,5	0,6	0,9	1,4	2,0	1,9	2,34	1,95	2,27

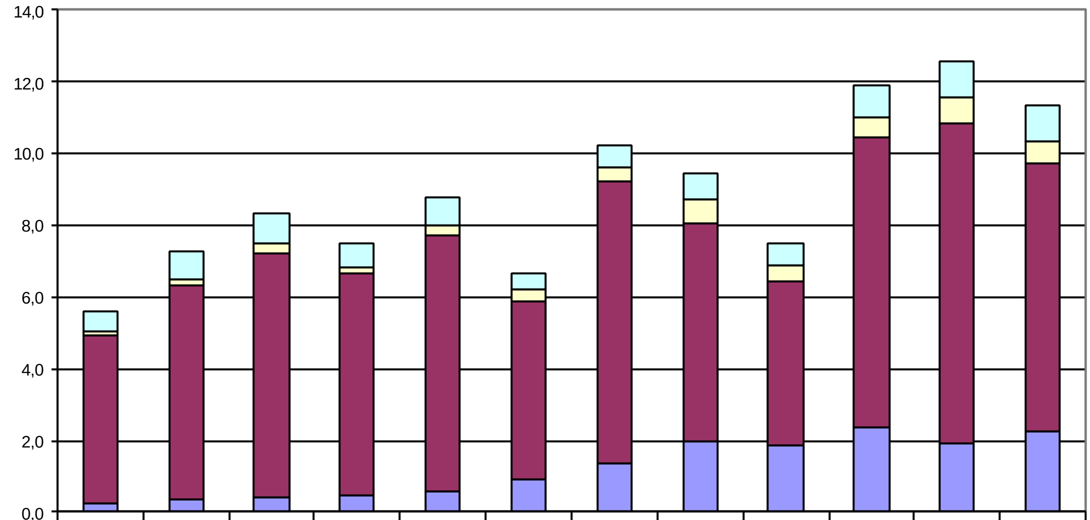
Trend production barley in Mio tonnes



	95 to 97	96 to 98	97 to 99	98 to 00	99 to 01	00 to 02	01 To 03	02 to 04	03 to 05	04 to 06
4 countries	4,6	4,7	4,8	4,4	4,5	4,9	5,4	6,0	6,2	6,4

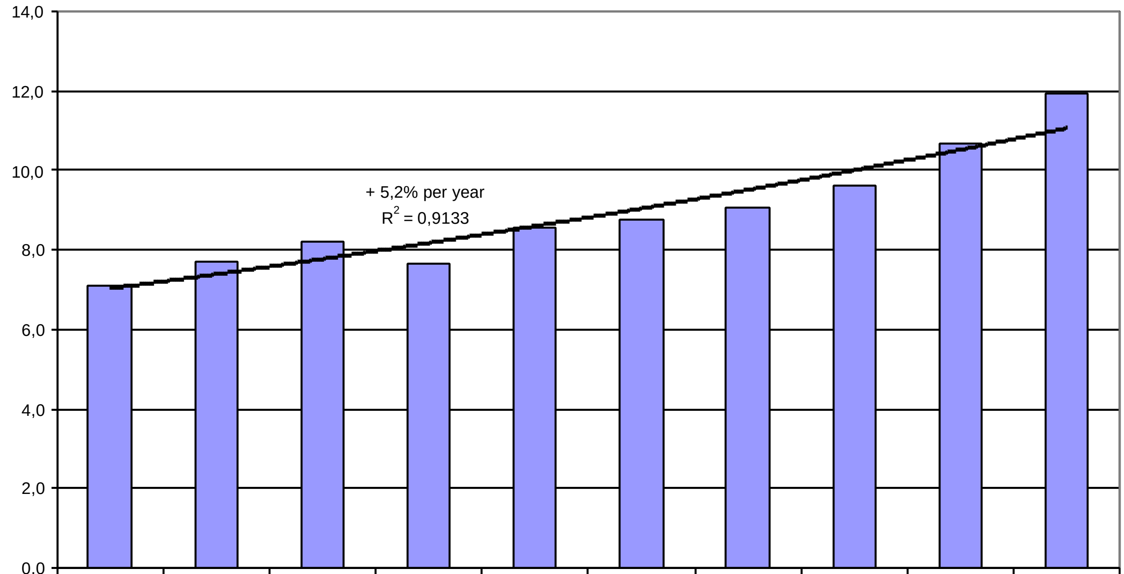
Production of Maize

Production Of Maize in Mn tonnes



	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Slovakia	0,6	0,7	0,8	0,6	0,8	0,4	0,6	0,8	0,6	0,86	1,03	0,96195
Czech Republic	0,1	0,2	0,3	0,2	0,3	0,3	0,4	0,6	0,5	0,56	0,70	0,62
Hungary	4,7	6,0	6,8	6,1	7,1	5,0	7,9	6,1	4,5	8,1	8,9	7,5
Poland	0,2	0,4	0,4	0,5	0,6	0,9	1,4	2,0	1,9	2,3	1,9	2,3

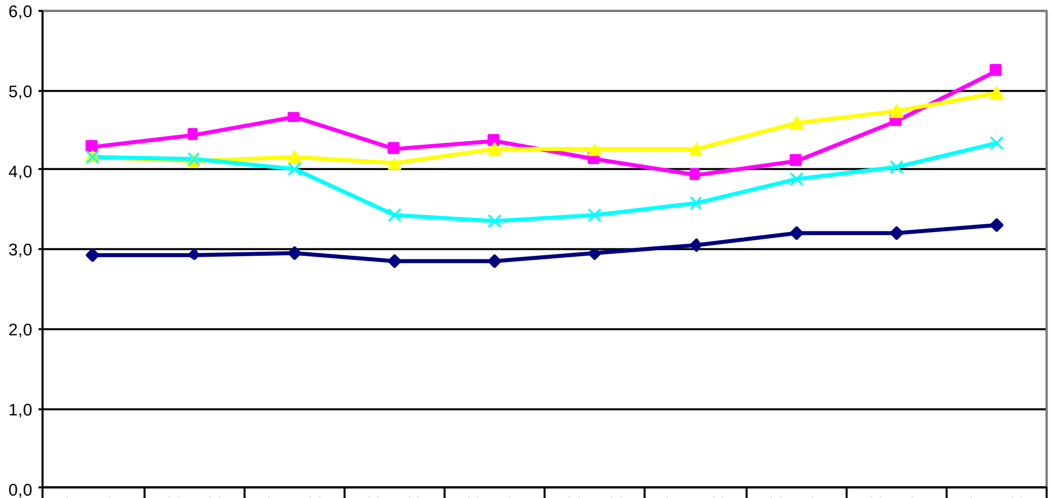
Three-Year Moving Averages Of Maize Production Of The Four Countries
(figures in Mn tonnes)



	95 to 97	96 to 98	97 to 99	98 to 00	99 to 01	00 to 02	01 To 03	02 to 04	03 to 05	04 to 06
4 countries	7,1	7,7	8,2	7,6	8,6	8,8	9,1	9,6	10,7	11,9

Yield all cereals

Three-Year Moving Averages of the hree-Year Moving Averages Of The Cereal Yield In The Four Countries (figures in tonnes.ha)



	95 to 97	96 to 98	97 to 99	98 to 00	99 to 01	00 to 02	01 To 03	02 to 04	03 to 05	04 to 06
Poland	2,9	2,9	3,0	2,9	2,9	2,9	3,1	3,2	3,2	3,3
Hungary	4,3	4,4	4,7	4,3	4,4	4,1	3,9	4,1	4,6	5,2
Czech Republic	4,2	4,1	4,2	4,1	4,3	4,3	4,3	4,6	4,7	5,0
Slovakia	4,2	4,1	4,0	3,4	3,4	3,4	3,6	3,9	4,0	4,3

The production structure

The four Visegrad countries have production structures that do not vary much from one country to another, though at different levels. In Slovakia, Hungary and Czech Republic, most of the production comes from largest farms inherited from the state farms (439.7ha/holding on average, for the year 2003). These farms have tended to be restructured into medium-sized commercial farms of 80 to 150ha. However the number of very small holdings remains very high especially in Slovakia and Hungary. For these two reasons, the Czech Republic, Slovakia and Hungary have clearly a production structure with two distinct sectors. However the evolution to reduce this gap between the very small holdings and very large farms is occuring quickly with the number of medium size farms (20 to 150ha) rising rapidly in all four countries.

Czech Republic

<u>Present situation</u>

The average size of a cereal holding in Czech Republic is around 70 ha in 2005 which is the highest average of the four countries. More than 50% of the holdings grow cereals on farms smaller than 10 ha. On the other hand, 12% of the holdings exceed 150ha and they cover 85% of the total area. This results in a duality in the holdings structure.

<u>Evolution and Perspective</u>

The recent development of the holding structure in the Czech Republic is for smaller holdings to disappear. The number of holdings growing cereals on less than 5 ha was reduced by 18% between 2003 and 2005, with most being amalgamated into medium size farms. . The total number of holdings was reduced by 9% on the same time period. The number of large farms did not vary much but their size grew.

Hungary

Present situation

Hungarian farms remain very small with an overall average of 7.4 ha/holding. 70% of the farms are under 2 ha and 90% under 10 ha. However, despite the small number of holdings exceeding 150ha, they represent more than 54% of the area. This is due to the size of the former state farms, which average 381ha.

Evolution and Perspective

Over the past five years many very small farms have been amalgamated and the overall number of holdings fell by a third between 2000 and 2005. Major falls occured in the smaller size classes with figures varying from –28% to –43% of holdings. For the same time period, the number of holdings in the 80 to 150 ha size group increased by 78%. There has been some fragmentation of the biggest farms (>150ha) and the average for this size class fell from 530ha to 381ha per farm. This trend is expected be maintained in the coming years. The micro-structures will continue to disappear and the former state farms are likely to be divided up with the result that the overall average size of cereals farms rising.

Poland

Present situation

The holdings structure in Poland has been fairly stable over years and more diffuse among the size classes. The majority of farms are in the small and medium size classes. Nearly 70% of the holdings have under 5 ha of cereals, and 30% have from 5 to 30 ha of cereals. Only 16% of the total area is grown on large farms.

Evolution and perspectives

The trend in the holdings structure in Poland differs from the evolution of the other Visegrad countries. It is the only country where the number of small farms has tended to increase (+5% of farms having less than 2ha of cereals). However, the group of farms exceeding 20ha is also increasing, with a significant rise in the number of farms with 30 to 80ha of cereals. As in Hungary, the total area of large farms has decreased (-9%) ; although the number of farms in this size class is increasing, many of the former state farms have been broken up.

Slovakia

Present situation

Slovak data is 3 years old. Recent data are not available on Eurostat. The holdings structure in Slovakia is very similar to that of Hungary. 75% of the farms are smaller than 2ha and 90% smaller than 10ha. On the other hand, the large farms in total occupy 88% of the cereals area - a much higher sharethan in the other Visegrad countries. Despite the high number of small farms, the average size of cereals farms is fairly high (22.1ha/holding in 2003) with the largest farms averaging 520ha in 2003.

Evolution and perspectives

The evolution is in favour of farms ranging from 80 to 150 ha. Small farms are tending to disappear,.the area covered by farms under 10ha having fallen by 11% between 2000 and 2003.

Number of hectares with cereals per size class

	Czech Republic 2003	Czech Republic 2005	Change 03/05	Distribution	Hungary 2000	Hungary 2003	Hungary 2005	Change 00/05	Distribution
Total	1 489 100	1 589 950	7%		2 621 880	2 351 430	2 377 610	1%	
0 ha	-	-		0%	-	-	-		0%
> 0 - < 1 ha	1 430	1 030	-28%	0%	75 320	49 530	47 780	-37%	2%
1 - < 2 ha	3 590	3 150	-12%	0%	77 090	54 250	45 310	-41%	2%
2 - < 5 ha	10 140	9 300	-8%	1%	172 380	127 750	109 750	-36%	5%
5 - < 10 ha	14 300	13 890	-3%	1%	173 960	145 900	121 270	-30%	5%
10 - < 20 ha	28 750	28 420	-1%	2%	239 770	179 790	155 190	-35%	7%
20 - < 30 ha	21 840	22 610	4%	1%	119 790	100 120	104 560	-13%	4%
30 - < 80 ha	76 280	82 160	8%	5%	305 460	280 800	280 770	-8%	12%
80 - < 160 ha	71 680	79 490	11%	5%	132 760	180 610	218 770	65%	9%
>= 160 ha	1 241 090	1 329 900	7%	85%	1 325 320	1 232 670	1 284 210	-2%	64%

	Poland 2003	Poland 2005	Change 03/05	Distribution	Slovakia 2000	Slovakia 2003	Change 00/03	Distribution
Total	8 293 680	8 328 850	0%		822 250	768 910	-6%	
0 ha	-	-		0%	0	0		0%
> 0 - < 1 ha	139 650	158 610	14%	2%	7 070	5 990	-15%	1%
1 - < 2 ha	313 490	353 480	13%	4%	7 300	6 230	-15%	1%
2 - < 5 ha	1 081 440	1 122 040	4%	13%	10 480	10 080	-4%	1%
5 - < 10 ha	1 736 370	1 680 590	-3%	20%	7 090	6 090	-14%	1%
10 - < 20 ha	1 749 240	1 693 810	-3%	20%	8 520	8 870	4%	1%
20 - < 30 ha	669 170	703 070	6%	8%	6 470	6 320	-2%	1%
30 - < 80 ha	856 210	959 030	12%	12%	25 390	24 510	-3%	3%
80 - < 160 ha	290 140	330 290	14%	4%	23 610	24 580	4%	3%
>= 160 ha	1 457 970	1 327 920	-9%	16%	726 330	676 260	-7%	88%

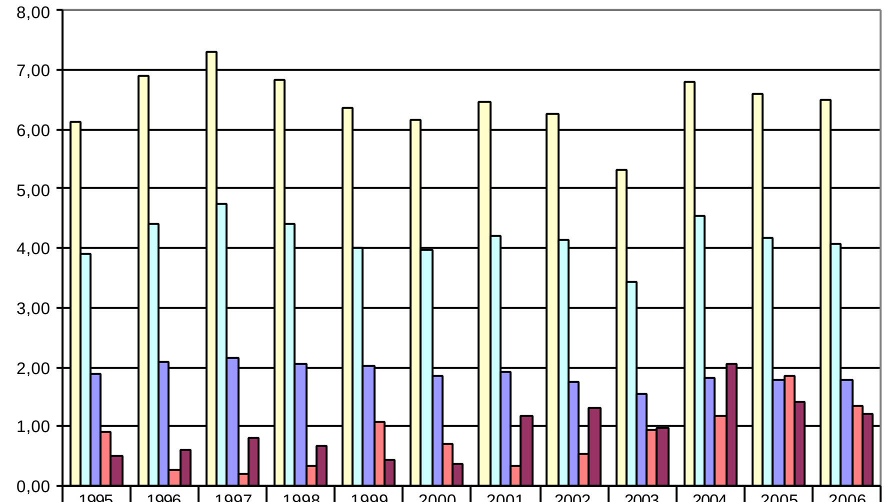
Number of holdings with cereals per size class

	Czech Republic 2003	Czech Republic 2005	Change 03/05	Distribution	Hungary 2000	Hungary 2003	Hungary 2005	Change 00/05	Distribution
Total	24 300	22 220	-9%		478 010	320 520	321 900	-33%	
> 0 - < 1 ha	4 340	3 000	-31%	14%	268 240	165 250	180 470	-33%	56%
1 - < 2 ha	3 660	3 210	-12%	14%	67 910	44 700	38 910	-43%	12%
2 - < 5 ha	4 060	3 720	-8%	17%	69 160	48 920	43 540	-37%	14%
5 - < 10 ha	2 540	2 420	-5%	11%	31 880	25 690	22 730	-29%	7%
10 - < 20 ha	2 570	2 570	0%	12%	21 490	16 530	15 390	-28%	5%
20 - < 30 ha	1 220	1 240	2%	6%	6 440	5 580	5 970	-7%	2%
30 - < 80 ha	2 250	2 400	7%	11%	8 710	8 280	8 500	-2%	3%
80 - < 160 ha	1 060	1 070	2%	5%	1 690	2 440	3 010	78%	1%
>= 160 ha	2 600	2 600	0%	12%	2 500	3 120	3 390	36%	1%
Average farm size (ha/holdings)	60,5	70,7			5,5	7,3	7,4		

	Poland 2003	Poland 2005	Change 03/05	Distribution	Slovakia 2000	Slovakia 2003	Change 00/03	Distribution
Total	1 667 980	1 690 540	1%		35 500	34 770	-2%	
> 0 - < 1 ha	382 080	397 340	4%	24%	20 160	20 110	0%	58%
1 - < 2 ha	305 160	321 310	5%	19%	6 610	6 110	-8%	18%
2 - < 5 ha	434 710	434 650	0%	26%	4 120	4 080	-1%	12%
5 - < 10 ha	313 230	298 450	-5%	18%	1 230	1 040	-15%	3%
10 - < 20 ha	165 040	162 420	-2%	10%	750	790	5%	2%
20 - < 30 ha	35 590	39 070	10%	2%	340	340	0%	1%
30 - < 80 ha	24 750	29 150	18%	2%	680	680	0%	2%
80 - < 160 ha	3 430	4 050	18%	0%	310	350	13%	1%
>= 160 ha	3 980	4 100	3%	0%	1 310	1 300	-1%	4%
Average farm size (ha/holdings)	5,0	4,9			23,2	22,1		

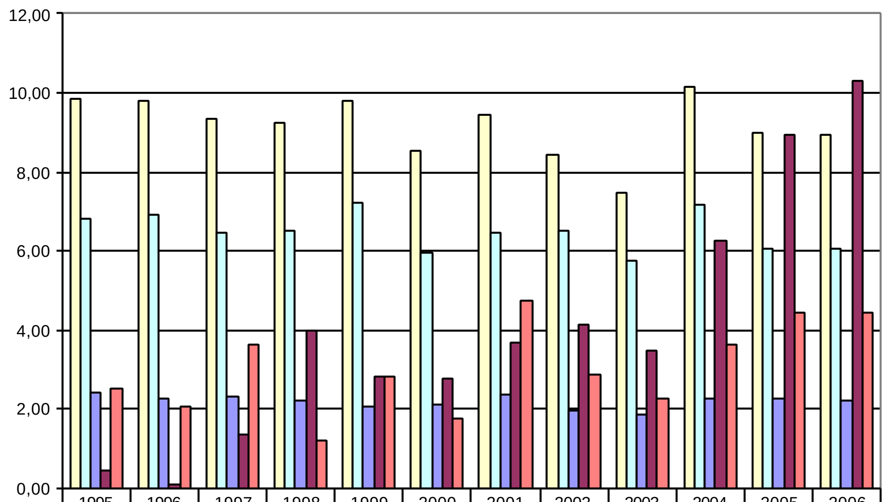
Annex 4 : Demand

Use of cereals in Czech Republic - Mn Tonnes



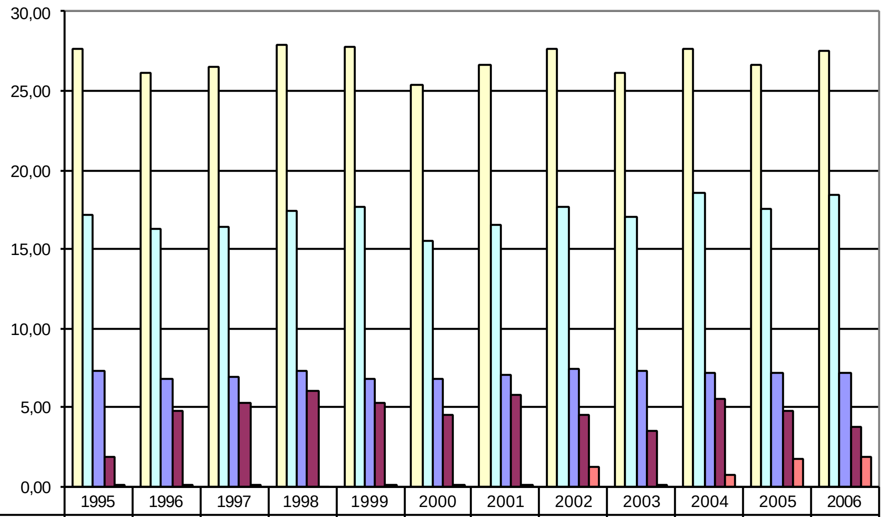
	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
total domestic use	6,12	6,89	7,32	6,83	6,36	6,16	6,47	6,25	5,32	6,80	6,62	6,51
feed use	3,91	4,42	4,76	4,41	3,99	3,96	4,22	4,14	3,42	4,54	4,17	4,07
human consumption	1,87	2,09	2,15	2,04	2,02	1,85	1,91	1,75	1,55	1,80	1,78	1,77
exports	0,90	0,28	0,19	0,34	1,06	0,69	0,32	0,55	0,94	1,18	1,84	1,34
total stocks	0,50	0,61	0,79	0,68	0,42	0,35	1,16	1,30	0,96	2,04	1,42	1,22

Use of cereals in Hungary - Mn Tonnes



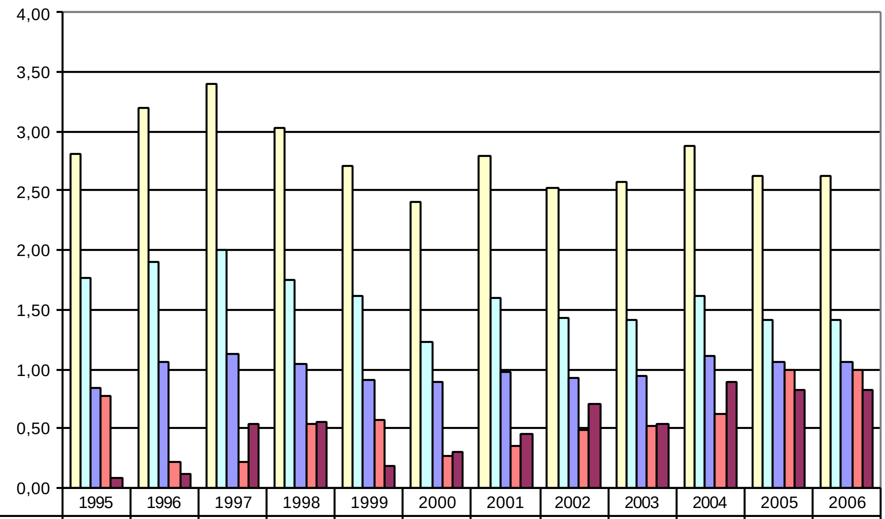
	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
total domestic use	9,84	9,78	9,36	9,26	9,79	8,52	9,44	8,43	7,46	10,13	8,98	8,95
feed use	6,83	6,92	6,44	6,50	7,22	5,97	6,45	6,52	5,75	7,17	6,05	6,03
human consumption	2,44	2,25	2,30	2,21	2,07	2,09	2,38	1,98	1,87	2,27	2,25	2,23
total stocks	0,46	0,12	1,36	3,96	2,82	2,75	3,67	4,14	3,48	6,26	8,96	10,31
exports	2,52	2,07	3,61	1,22	2,80	1,76	4,75	2,85	2,26	3,63	4,43	4,42

Use of cereals in Poland - Mn Tonnes



	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
total domestic use	27,65	26,17	26,53	27,94	27,73	25,38	26,68	27,62	26,10	27,71	26,65	27,55
Feed use	17,16	16,31	16,42	17,36	17,64	15,53	16,51	17,62	17,01	18,56	17,49	18,48
Human consumption	7,30	6,85	6,96	7,28	6,84	6,83	6,99	7,39	7,35	7,23	7,20	7,16
total stocks	1,89	4,84	5,24	6,01	5,30	4,59	5,76	4,55	3,48	5,59	4,83	3,78
exports	0,09	0,08	0,07	0,03	0,07	0,05	0,10	1,20	0,15	0,68	1,76	1,82

Use of cereals in Slovakia - Mn Tonnes



	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
total domestic use	2,81	3,21	3,39	3,03	2,71	2,41	2,79	2,52	2,58	2,88	2,63	2,62
feed use	1,76	1,90	2,00	1,76	1,62	1,23	1,59	1,44	1,42	1,61	1,42	1,42
human consumption	0,83	1,06	1,12	1,05	0,90	0,89	0,98	0,93	0,93	1,11	1,06	1,05
exports	0,77	0,21	0,22	0,53	0,56	0,27	0,35	0,48	0,51	0,62	0,99	0,98
total stocks	0,07	0,12	0,54	0,55	0,19	0,30	0,44	0,70	0,53	0,88	0,82	0,82

Annex 5 Questionnaire for each country

QUESTIONNAIRE – Czech Republic prepared by Jirina Slaisova

Storage capacity and storage costs

Estimated total private storage capacity	**1 – 1,5 Mn. t**
Estimated total public storage capacity	**189 ths. t**
Estimated capacity of public storage qualifying for intervention (tonnes)	**737 ths. t**

Name of the main companies and estimated storage capacity (tonnes)

DOAGRA a.s., Domažlice	**n.a.**
PRIMAGRA a.s., Príbram	**n.a.**
OBILA a.s., Kutná Hora	**n.a.**
MORAGRO a.s., Prostejov	**n.a.**
CEREA a.s., Hradec Hrálové	**n.a.**

Total number of companies 72

Estimated storage costs

Rough estimate of monthly storage cost per tonne **(contract for a 6 month period)**	cca 50 CZK

Transport

Name of the main cereal transport companies established in your country	Estimated transport capacity in tonnes
CSD – Czech state reailway	**n.a.**
CSPLO – Czech shipping transport,	**n.a.**
Private companies	**n.a.**
ZZN a.s.	**n.a.**
DOAGRA a.s.	**n.a.**

Estimated transportation costs

	By rail	**By road**	**By barge (boat)**
Estimated transport cost in € per ton / km	**n.a.**	**n.a.**	**n.a.**

Trade

Name of the main trading company established in your country	Rough estimated % of market share in 2005
AGROFERT s.r.o., Praha	**n.a.**
AGROPOL a.s., Praha	**n.a.**
AGROS BOHEMIA a.s.	**n.a.**
AGRO Morava, VOS, Brno	**n.a.**

Comments on the degree of competition
n.a.

Comments on the evolution over the last 5 years
n.a.

Comments on possible/expected developments over the next 5 years
n.a.

Use - Name of the main companies and estimated % of market share in 2005

Animal feed -

ZZN Polabí, a.s., Kolín	
Primagra, a.s., Milín	
ZZN Pardubice, a.s., Pardubice	
MJM Litovel, a.s. Litovel	
Cerea, a.s., Hradec Králové	
ZZN Pomoraví, a.s., Hodonín	
ZZN Strakonice, a.s.	
ZZN Semily, a.s.	

Total number of producers - 468
Total estimate of production -3,15 Mn.t

Millers

UNIMILS, a.s., Praha	25,0
PENAM, a.s., Brno	20,0
MILIBA	15,0
Mlýny Voženílek, s.r.o.	8,0
Perner Svijany	4,0

Malt

Sladovny Soufflet CR a.s., Nymburk	18,4
Plzenský Prazdroj a.s., Plzen	16,4
Sladovny Soufflet CR a.s., Kromeríž	15,5
Sladovny Soufflet CR a.s., Hodonice	14,8
Sladovny Soufflet CR a.s., Prostejov	9,7
Plzenský Prazdroj a.s. Nošovice	5,4
Ceskomoravské sladovny a.s., Zábreh	4,1

Starch

LYCKEBY AMYLEX, a.s., Horaždovice	53,1 % potato starch
Škrobárny Pelhrimov, a.s.	36,2 % potato starch
Naturamyl, a.s. Hamry	6,6 % potato starch
AMYLON a.s., Havlíckuv Brod	wheat starch

Distillery

STOCK Plzen, a.s.	23 %
Starorežná, Prostejov	10 %
Jan Becher – Karlovarská Becherovka, a.s.	8 %

Note: total production of distillery in 2005 49,3 Mn. lt

Isoglucose

Not established	

Comments on the degree of competition

n.a.

Questionnaire – Hungary prepared by Tibor Ferenczi

Storage capacity and storage costs

Estimated total private storage capacity (tonnes)	15 million
Estimated total public storage capacity (tonnes)	1.2 million
Estimated capacity of public storage qualifying for intervention (tonnes)	9.8 million

Name of the main companies (private storage only) and estimated storage capacity (tonnes)

Magtárház Kft.	500 000
Glencore Rt.	360 000
ABO Rt.	280 000
Cerbona Rt.	240 000
Agrograin Rt.	185 000
Hajdú Gabona Rt.	145 000
Tig Rt.	100 000
Bolyi Mezogazdasági Termelo és Kereskedelmi Rt.	80 000
Tiszafarm Produce Mezogazdasági Kft.	65 000
Mezofalvai Mezogazdasági Termelo és Szolgáltató Rt.	45 000

Estimated storage costs (contract for a 6 month period)

Rough estimate of monthly storage cost € per tonne	1.40 EUR/t

Name of the main cereal transport companies and estimated transport capacity in tonnes

MÁVCARGO Zrt.	150 000
MAHART Duna-Cargo Kft.	40 000
Waberer's Holding Zrt.	30 000
K-SPED Kft.	20 000
TISZAPORT Kft.	15 000
M. POINT Kft.	12 000
Révész és Révész Logisztikai Kft.	9 000
FLUVIUS Kft.	6 000
Németh-EUROTRANSZ Kft.	2 000
EURO-LOG Kft.	2 000

Estimated transportation costs

	By rail	By road	By barge (boat)
Estimated transport cost in € per ton / km	0.015	0.060	0.025

Estimate of the transportation cost to major destinations

Destination	**Distance from your country's cereal production areas (in km)**	**Cost per 1.000 tonnes (in €)**
Constanta, Romania	1300	22,000
Amsterdam, Netherlands	1400	30,000
Trieste, Italy	600	35,000
Rotterdam, Netherlands	1450	30,500
Antwerp, Belgium	1350	29,000

Trade

Name of the main trading company	**Rough estimated % of market share in 2005**
Agrograin Kereskedelmi Rt.	9
Glencore Grain Hungary Kft.	4
Agrimpex Terménykereskedelmi Kft.	3
Gabona Részvénytársaság	2
M Point Kereskedelmi Kft.	1
GITR Agrárfejleszto és Kereskedelmi Rt.	1
Gabona Protein Kft.	1

Glencore Grain Hungary Kft.	1
Thegra Hungary Mezogazdasági Termékkereskedelmi Kft.	1
UB Merchants Kereskedelmi Kft.	1
Plumavis Kereskedelmi Kft.	1

Comments on the degree of competition
In the field of storage, competition is quite limited, caused by the scarcity of proper storehouses of producers and high capital needs of investments. As few capacities are owned by producers (grain producers own some shares in not more than 10 per cent of about 1000 storing companies) there is a supply oriented market. Therefore storage owners are the great winners of the intervention system; they can even buy cereals on very low price.
In cereals transport, there is a great competition between more than thousand companies which are able to transport cereals. However, the share of transport in Hungarian grain is relatively high, due to the location of the country. River and rail transport is favourable but trans-loading and trans-shipment points are scarce, which makes costs high. In trade market there is a cut-throat competition. The largest 10 companies give approximately 25% of market share, where extremely large and extremely small actors both take place. According to national experts, there are 1200-1400 small and large businesses operating in this market.

Comments on the evolution over the last 5 years
As for storages many new capacities have been constructed after the Accession, partly with EU and public funds. The stable capacity of 16 million tonnes was increased to 20 tonnes. However, competition between storage owners were not much stimulated, still there is a supply-oriented market. The number of actors increased insignificantly. In transport, there were not significant changes over the last 5 years in rail and barge. In road transport, more SMEs have entered and the name and owner of the market leading company has been changed (Waberer's). Cereals trade market has been changed significantly. Of 15 market-leading companies only 3 have remained from which only one is outstanding. The rest has become much smaller, but those are more competitive which also have storehouses.

Comments on possible/expected developments over the next 5 years
The current storage capacity will not be increased in the foreseeable future. Some further concentration can take place. In rail and river transport, international companies might enter and challenge current actors. Many SMEs in road transport might fall from competition and multinational competition can gain field. Traders certainly will expand their activity including assort and mix quality classes of cereals in order just to fit the requirement of each importing country. Concentration is likely to increase, and traders with storehouses will expand.

Use - List of main companies and estimated % of market share in 2005

Animal feed -

BABOLNA TAKARMANYIPARI PREMIX ES TAKARMANYKERESKEDELMI KFT	16,0
AGROKOMPLEX C.S. TAKARMANYGYARTO ES FORGALMAZO RT	8,5
AGRIBRANDS EUROPE HUNGARY TAKARMANYIPARI ES KERESKEDELMI RT	4,8
ISV HUSTERMELEST SZERVEZO RT	3,7
VITAFORT RT ELSOM TAKARMANYGYARTO ES FORGALMAZO	3,7
AGROFERM MAGYAR-JAPAN FERMENTACIOIPARI RT	3,7
TROUW NUTRITION HUNGARY KERESKEDELMI ES SZOLGALTATO Kft	2,7
KABAI TAP- ES TAKARMANYFORGALMAZO RT	1,6

Millers

ALFOLDI MALOMIPARI RT	8,2
ELSO PESTI MALOM- ES SUTOIPARI RT	8,2
CERBONA ELELMISZERIPARI ES KERESKEDELMI RT	8,0
PANNON-GABONA FELDOLGOZO ES KERESKEDELMI RT	8,0
DR OETKER MAGYARORSZAG ELELMISZER KFT	5,0
HUNGAROMILL GABONAFORGALMI ES MALOMIPARI RT	5,0
HAJDUSAGI GABONAIPARI RT	5,0
AGRIMILL-AGRIMPEX GABONAFELDOLGOZO ES GABONAKERESKEDELMI RT	5,0
PROFORG KERESKEDELMI ES GABONAIPARI RT	4,0

Malt

MALTERIE SOUFFLET MAGYARORSZAG MALATAGYARTO ES -FORGALMAZO KFT.	43,1
ALBADOMU MALATATERMELO ES KERESKEDELMI BT	42,7
SZELATA GYOGYHATASU ELELMISZEREKET ELOALLITO ES FORGALMAZO KFT	8,7
RAUSCHBERG MALZ IPARI KERESKEDELMI ES SZOLGALTATO KFT	4,3
TOBAK-KER DOHANY NAGY- ES KISKERESKEDES KFT	1,2

Starch

HUNGRANA KEMENYITO- ES IZOCUKOR GYARTO ES FORGALMAZO KFT	79,4
CORN-DROP KUKORICACSIRA FELDOLGOZO KFT	17,9
PORKEVERO ES KERESKEDO KFT	2,8

Distillery

VARDA-DRINK SZESZIPARI RT	17,4
BUDAPESTI LIKORIPARI KFT /BULIV KFT/	13,1
ZWACK UNICUM LIKORIPARI ES KERESKEDELMI RT	13,0

Isoglucose

HUNGRANA KUKORICAFELDOLGOZÓ KFT.	100

Comments on the degree of competition

In some markets of cereals-users competition is high, in others it is negligible. In animal feed sector there is a concentration (the largest 10 companies of about 170, provide 45 per cent of the sales), however the structure is bipolar. The demand of feeds depends on the future of animal husbandry, which is already shocked by the increase of feed prices on the one hand and decrease of output prices on the other, due to the Accession. In milling, concentration is even higher, 60 per cent market share was given by the top 10 of 160 companies (at the other end, 30 companies obtain less than 80 thousand euros sales). Malt is provided by only 5 companies from which the two largest have 85 per cent market share. Starch is supplied by only 3 companies from which the largest has nearly 80 per cent. In distillery sector there is a number of SMEs having a very week position in the competition as the market is very much concentrated. The largest 10 of 200 companies have nearly 80 per cent of the market. Total isoglucose production is supplied by a single company of AGRANA group. That plant is the largest factory in Europe. Till now, there was no alternative use of cereals. However, in mid-term future, other uses of cereals, e.g. bio-ethanol will expand.

Questionnaire – Poland prepared by Wieslaw Lopaciuk

Storage capacity and storage costs

Estimated total private storage capacity (tonnes)	11 500 000 of which 1/3 belongs to the farmers
Estimated total public storage capacity (tonnes)	10 500 000
Estimated capacity of public storage qualifying for intervention (tonnes)	815 000

Storage facilities:
Agriculture – ca 20 000 stores with total capacity 4,7 million tons
Trade – ca 2000 stores with total capacity 2,15 million ton
Cereal processing – ca 1,2 stores with total capacity 3,5 million tons (2,6 in milling sector and 0,85 in feed sector)

Name of the main companies and estimated storage capacity (tonnes)

Polskie Mlyny SA	600 000
Rolmlyn, Kompania Zbozowo-Mlynarska	220 000
Rolimpex controlled by Provimi Holding BV	215 000
PZZ Stoislaw	142 000
Cargill (Polska) Sp. z o.o.	148 000
El-corn	140 000
FARMUTIL HS	124 000
Podlaskie Zaklady Zbozowe	100 000
Stanislaw Grygier	75 000
Tadeusz Michalczyk	77 000

Estimated storage costs (contract for a 6 month period)

Rough estimate of monthly storage cost € per tonne	1,5- 1,6 / ton per month

Transport - Name of the main cereal transport companies and estimated transport capacity in tonnes

PKS	
TRANSARR	
PKP (Polish Railways)	

The market is extremely fragmented and fast-changing. The above companies are the largest.

In the four major Polish ports (Gdynia,Gdansk, Szczecin, Swinoujscie), the market share (2004) of major companies for handling of dry bulk agricultural goods are Przedsiebiorstwo Uslug Portowych Elewator Ewa ([30-40%]), BTZ is [20-30%]. Morski Terminal Masowy Gdynia ([10-20%]), ZMPG SA Port Gdanski Eksploatacja ([0-10%]), Gdanskie Mlyny i Spichlerze Dr Cordesmeyer ([0-10%]), Olvit Trade ([0-10%]), Baltic Malt ([0-10%]), Magrol PP-H ([0-10%]).

Estimated transportation costs

	By rail	**By road**	**By barge (boat)**
Estimated transport cost in € per ton / km	0,14-0,20	-	

Estimate of the transportation cost to major destinations

Destination	**Distance from your country's cereal production areas (in km)**	**Cost per 1.000 tonnes (in €)**
Germany	360-460	0,16,-0,20 PLN/t/km

Trade
Name of the main trading company and estimated % of market share in 2004 (feedstuff trading)

ADM and Cefetra	30-40%
Zaklady Tluszczowe Kruszwica	10-20%
Louis Dreyfus	20-30%
Cargill	20-30%
Thegra Poland	

Comments on the degree of competition

Comments on the evolution over the last 5 years
The accession phased out of the market small companies that could not meet the criteria imposed by the CAP.

Comments on possible/expected developments over the next 5 years
The role of large companies will be strengthening.

Use - Name of the <u>main</u> companies and estimated % of market share in 2005

Animal feed -

Provimi-Rolimpex	28
Koudijs-Him	11
Cargill - Warszawa	7
Golpasz – Golub Dobrzyn	4,5
Wipasz - Wadag	4,5

There are about 400 of feed mixers in the sector of which about 40% are the companies with annual production capacity over 25 thousand tons and 20 companies with annual capacity exceeding 100 thousand tons.
In recent years there has been a clear increase in the production of compound feeds, manufactured particularly in large enterprises. The role of cereals in feeding of hogs and cattle keeps increasing. Hence many small and medium enterprises (linked to the accession) went out of the business The dominance of several holdings over the feed market became a commonplace and is still growing.

Millers

Polskie Mlyny SA	20
PZZ Stoislaw	
Interchemal - Mlyny Jelonka	
PROSSOB Mlyny Inowroclaw	
Boleslawiec SA	

There are about 800 operating enterprises in the milling sector including 350 thousand of small units (milling capacity below 60 tons per 24 hours)

Malt

Baltic Malt	
Souflet Poznan	
Global Malt	
Danish Malting Group	

Starch

Przedsiebiorstwo Przemyslu Ziemaniaczanego at Bronislaw	17,2
Zaklady Przemyslu Ziemniaczanego at Ilawa	9,1
Wielkopolskie Przedsiebiorstwo Przemyslu Ziemniaczanego SA at Lubon	8,6

Distillery

Isoglucose

Cargill Poland	roughly 100%

Comments on the degree of competition
NA

Questionnaire – Slovakia prepared by Ivan Masar

Storage capacity and storage costs

Estimated total private storage capacity (tonnes)	2 595 000
Estimated total public storage capacity (tonnes)	14 000
Estimated capacity of public storage qualifying for intervention (tonnes)	500 000

Name of the main companies and estimated storage capacity (tonnes)

Gamex Trading	
Belar Group	
AGT	
Agronovaz	
Gamota	
Polnonakup Galanta	
Corn Corporation	
Tajba	
Agrochemicky podnik	
Polnonakup Hont	

Estimated storage costs

Rough estimate of monthly storage cost € per tonne (contract for a 6 month period)	2,02 – 4,03

Transport - Name of the main cereal transport companies and estimated transport capacity in tonnes

Zeleznicna spolocnost	
Slovenska plavba a pristavy	
Baltranz, Nove Zamky	
Chedos, Svit	
VSH Trans, Turna nad Bodvou	
Nakladna automobilova doprava, Nitra	
TOPNAD, Topolcany	
UND-03, Kosice	
NDZ, Zilina	
SKAND, Skalica	

Estimated transportation costs

	By rail	**By road**	**By barge (boat)**
Estimated transport cost in € per ton / km	0,073	0,080	0,020

Trade - Name of the main trading company and estimated % of market share in 2005

Belar Group	
Gamex Trading	
Prefert	
Anja	
Agropartner	
Dron-Sklady	
K.K.V - Union	
Osivo Zvolen	
ST Omega	
Agro-Coop	

Comments on the degree of competition

The Slovakian trading market with cereals is saturated. There are too much of small and medium sized trading companies that are focusing on individual market segments, e.g. wheat finished products, feed wheat or feed barley, durum wheat products etc. A lot of them combine business activities with warehousing and some of them with processing into food products. In a database of the Ministry of Agriculture of Slovakia there are 21 large trading companies dealing with cereals.

Comments on the evolution over the last 5 years

Number of trading companies slightly decreased, especially small firms (up to 3 employees) finished their business action. It was formed some big players with stronger financial and marketing power.

Comments on possible/expected developments over the next 5 years

In a 5-year outlook it could probably occur further concentration of commercial companies into bigger legal entities. Analysts are expecting an entry of another strong foreign trading companies and intense vertical integration of suppliers of inputs, basic industry, marketing and retail trade.

Use - List of main companies and estimated % of market share in 2005

Animal feed -

Belar-Dunaj	
Agronovaz Nove Mesto nad Vahom	
Polnosluzby Bebrava Rybany	
Boskop polnonakup Trencin	
Gemernakup	
Polnonakup Spis	

Millers

PMD-Union	
Mlyn Sladkovicovo	
Mlyn Pohronský Ruskov	
Mlyn Surany	
Mlynsko-pek. a cestovinarsky kombinat Spiska Nova Ves	

Malt

Heineken Slovakia, Nitra	56
Lycos-Trnavské sladovne	13
Sladovna Michalovce	11
Pivovar Velký Šariš	9
Topvar Topolcany	6
Tatran Poprad	3

Starch

Amylum Slovakia Boleraz	
Dunajskrob Sturovo	
Dr. Oetker Bratislava	

Distillery

Slovdrink Dolna Krupa	
St. Nicolaus Liptovsky Mikulas	
Old Herold Trencin	
LVS Pezinok	
Slovenske liehovary a likerky Leopoldov	
Frucona Kosice	
Lark Kosice	

Isoglucose

Amylum Slovakia Boleraz	

Other use – List of main companies

Heineken	brewery industry	
SAB Miller	brewery industry	1 500 000 hls brewing capacity