

A close-up photograph of several soybean pods hanging from a stem. The pods are brown and some are open, revealing yellow soybeans inside. The background is a blurred field of soybeans under a blue sky.

Non-GM Soy Facts and figures: Europe and Brazil

JDrescher Consulting



European Soy current crop:

On the path to **recovery** from heavy losses in 2022.

European Union - estimated EU soybean area in 2023 same as 2022:
1.1 million ha.

Europe – estimated soybean area in 2023:
5 million ha (up 7%).

Mostly due to a 23% increase in area in **Ukraine**, to
1.84 million hectares.

European soybean output in **2023** should climb **+12%**
to reach a record **11.0** million mt.

Exclusively non-GM output in 2022:

Total non-GM output in **Europe** (excl. Russia) :
4.6 million mt.

EU-27: 2.2 million mt (over 2.5 million in better years).

Ukraine: 1.9 million mt.

Serbia: 400,000 mt (over 600,000 in better years).

Italy: 600,000 mt (close to 1 million in better years).

Soybean output in selected European countries

2021 vs 2022 estimates (1.000 metric tons).

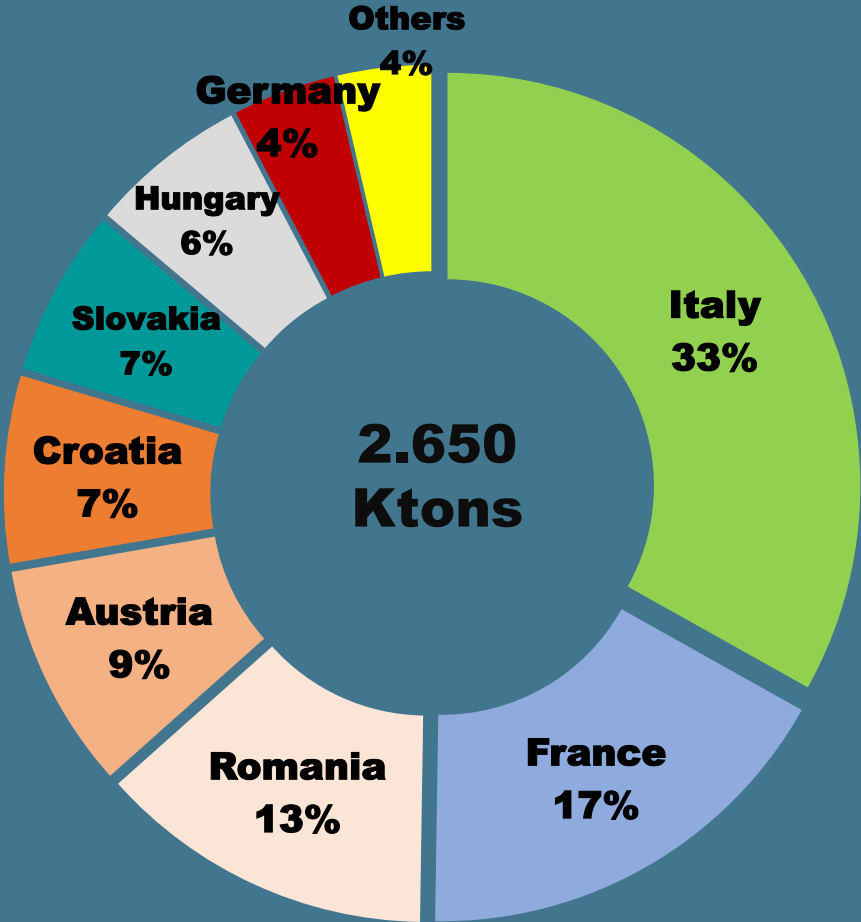
	2021	2022	CHANGE	
Ukraine	3.49	3.732	242	7%
Russia*	2.844	3.42	577	20%
Italy	880	610	-270	-31%
Serbia	549	440	-109	-20%
France	455	380	-75	-16%
Austria	235	244	9	4%
Romania	350	233	-117	-33%
Croatia	195	200	5	3%
Germany	107	128	21	20%
Hungary	164	127	-37	-23%
Slovakia	174	130	-44	-25%
Total EU-27	2.657	2.235	-420	-16%
Total Europe	9.605	9.87	265	3%

*Only European Russia

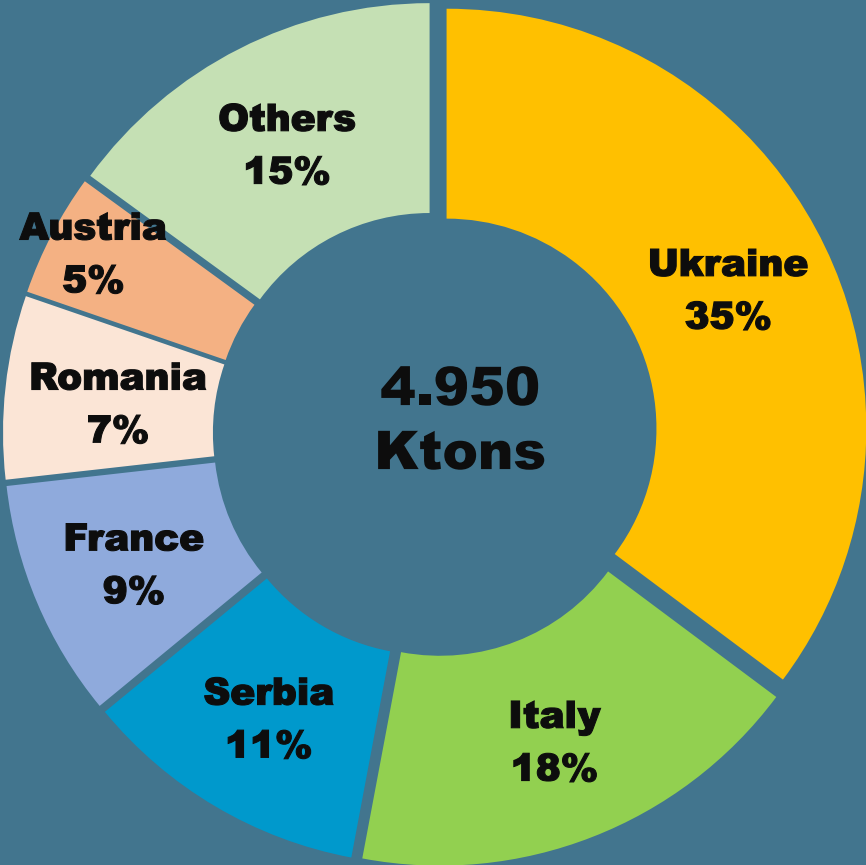
Source: Donau Soja

Non-GM soy production in 2021

EU ONLY



(EU+UKR+SRB)



Key locations in Europe





Ports



Crushing Plants



Consumption of non-GM soymeal:

Nordic Countries
700,000 mt

Germany
800,000 mt

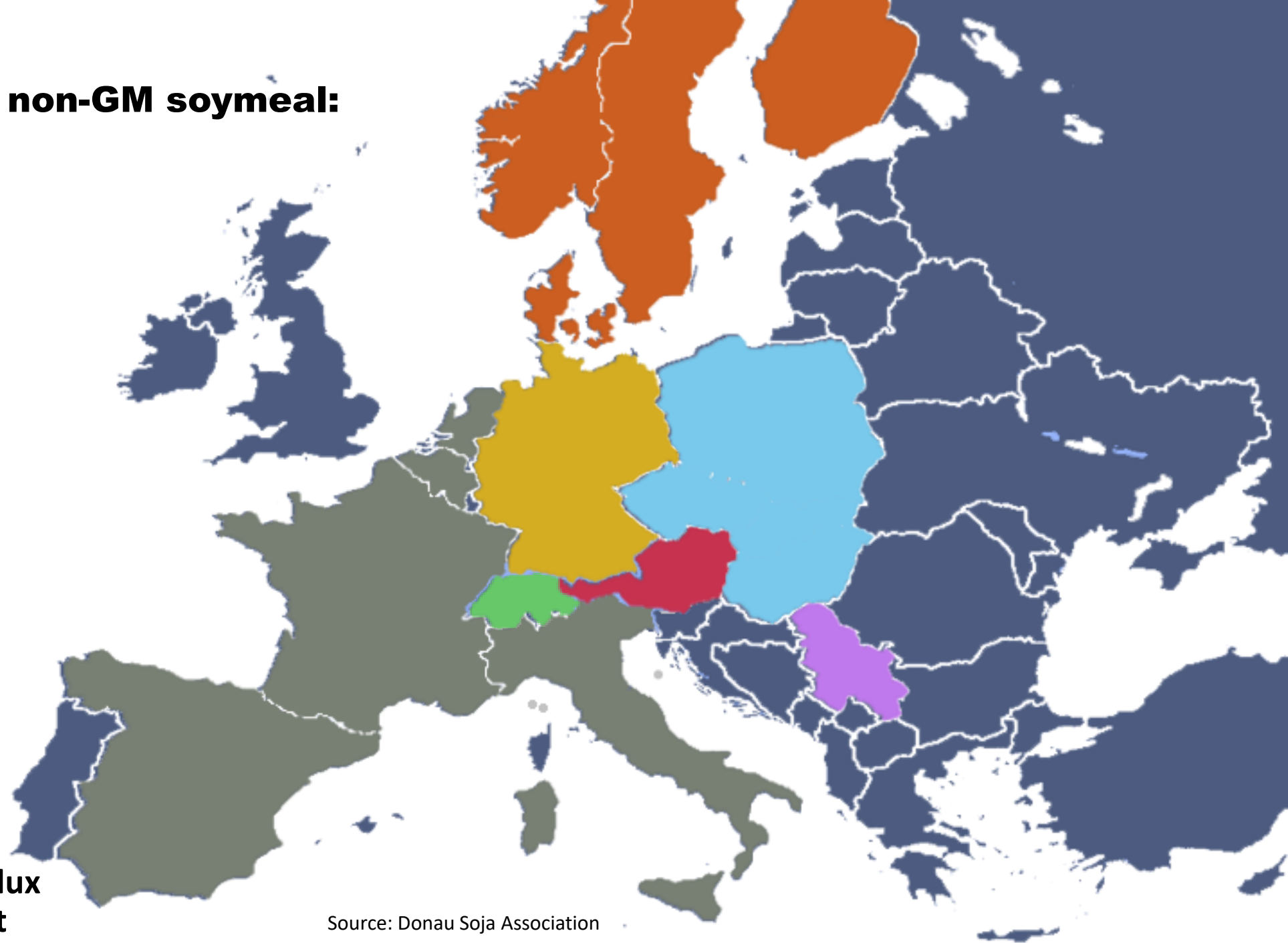
PL+CZ+HU+SK
100,000 mt

Switzerland
300,000 mt

Austria
300,000 mt

Serbia
300,000 mt

France + Italy + Benelux
+ Spain - 700,000 mt



Source: Donau Soja Association

Tight balance:

Non-GM meal consumption equivalent to about
4.7 million mt of soybeans.

Practically the total production of EU + Ukraine + Serbia

Need for overseas supply !

Non-GM beans and meal coming not only from **European** origins...

North America

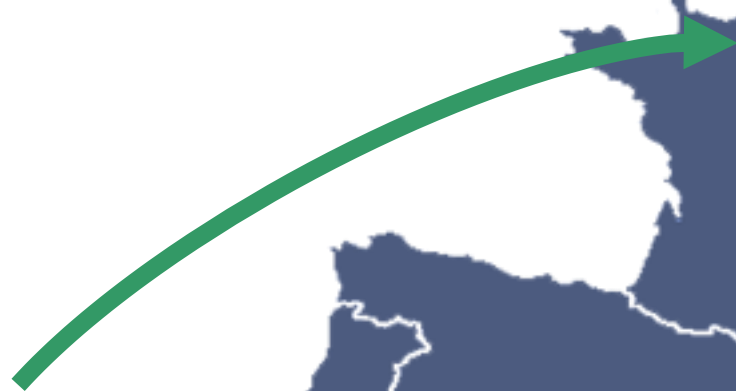


Intra Europe



South America

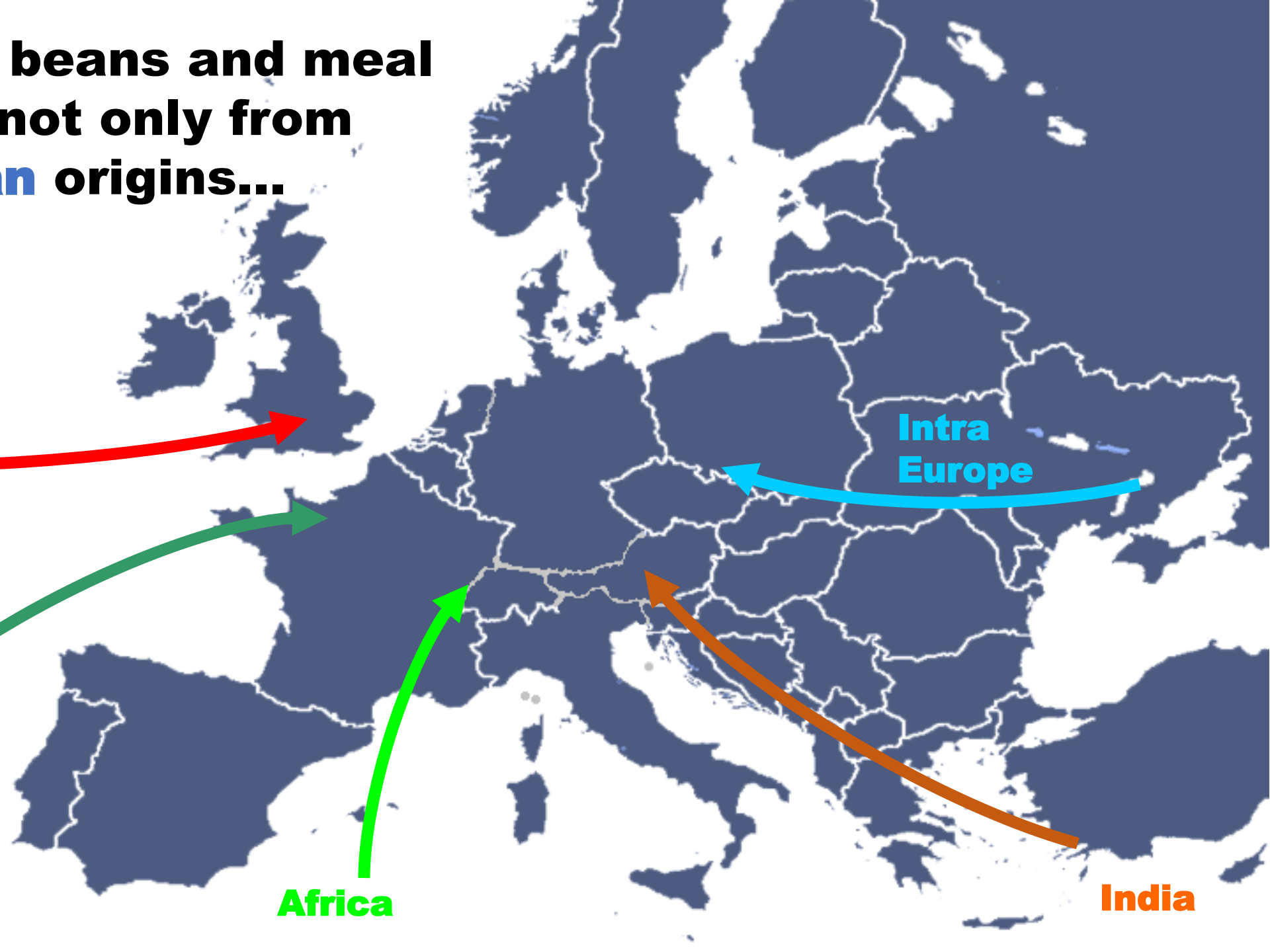
Mostly Brazil



Africa



India



Brazil in Latin America



Some relevant features...

Largest soybean producer in the world.

A swing of **1% in planting intentions means 1.5 million mt** of non-GM soybeans.

Renewables make up to 45% of the energy matrix, in electricity 50%.

Certification criteria for non-GM soy from Brazil included sustainability from the start in 2005.

26 States

Too large for generalizations!





Brazilian soy current crop year:

**Estimated soybean output in 2023:
154 million mt.**

22% more than previous Harvest.

**46.3 million hectares with average 3.4 mt
per hectare.**

**Brazilian non-GM soy production at
4 million mt.**

**Growth in non-GM: seed availability, modern
cultivars, fostering from crushers and attractive
premiums.**



Main producers of non-GM soybeans:

Mato Grosso
2 million mt

Goiás
300,000 mt

Minas Gerais
130,000 mt

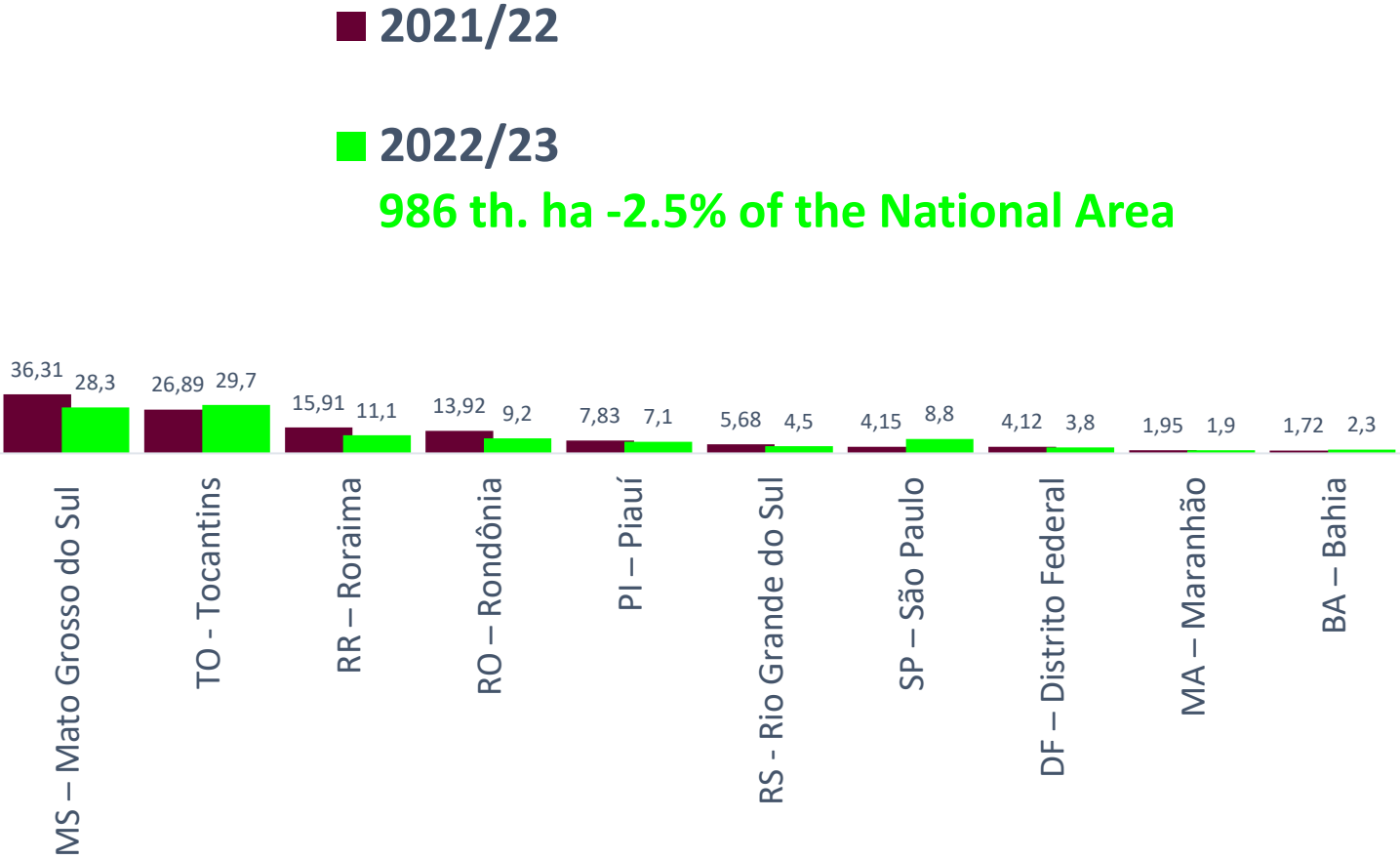
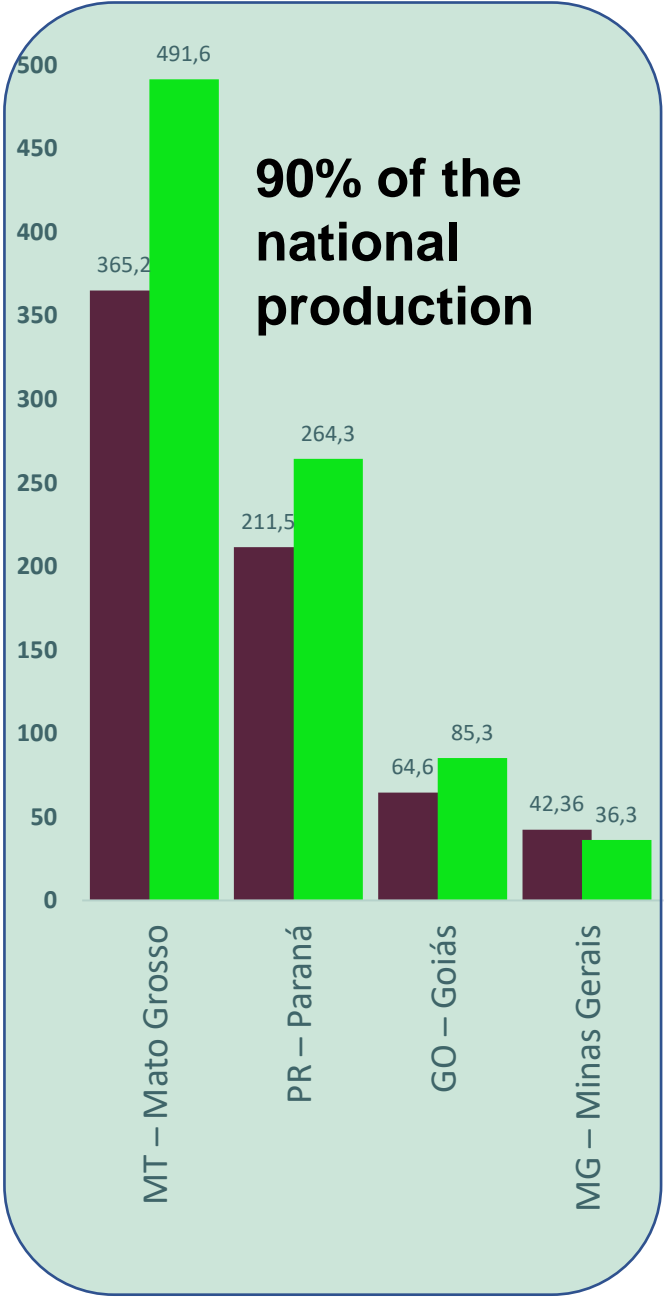
Mato Grosso do Sul
100,000 mt

Paraná
1 million mt



Non-GM areas in Brazil - per state

Source: Instituto Soja Livre



Key locations in Brazil



Logistic hubs and processing plants.

Non-GM soymeal plants in 2023:

- Araucária
- São Simão
- Itacoatiara
- Itumbiara
- Araguari
- Sorriso

Meal + SPC

Estimated processing of non-GM soybeans in 2023:
1.6 million mt. **Predominantly for the EU.**



**How we got where
we are now...**



Retrospective 2021:



Non-GM soymeal premiums nominally at EUR 60 in Europe, sluggish demand.

Full cargoes of non-GM beans offered in Brazil in July and August ?

Significant amount of segregated non-GM soybeans sold without any premium.



Farmers and crushers in Brazil disappointed.

Planting season starts in September.



Not a lot of interest for seeding non-GM.

Retrospective 2022:

In Brazil: small area + **drought** = very small non-GM soy output.

In the EU: **drought** shrunk non-GM soy production by 16% (- 420,000 mt).

War!

Indian soymeal exports curtailed by government.
(is it all sustainable, by the way?)



Non-GM premiums skyrocketed to EUR 300 in mid 2022.
(never seen before).

Non-GM soybeans premium in BR up to USD 120 pmt.



Farmers in Brazil find this interesting and sow a big crop.

... but then in 2023...

With high premiums, some players try ending labeling.
(Remember 2013/14?).

Partial defeat, French demand shrinks about 30%.

Ukrainian soy finds its way in spite of the war.

Word of a big non-GM crop in Brazil spreads.

Demand in EU sluggish, buyers buy hand to mouth...

Non-GM premiums are collapsing, now @ EUR 55 in the north of Europe.



Farmers in Brazil find this interesting,
late sellers will be lucky to get any premium.

...and here we are now.

Market for identity preserved non-GM soy is some 20 years old.

Not stable and not growing.

Poor visibility for soy farmers and feed compounders.

Hard to plan ahead without reliable data.

Threat of severe weather events is permanent.

Drastic swings in availability and prices.

Tendency to repeat crisis!

**If you keep doing the same thing,
you will get the same results.**

What could be a path for durable stability?

European production alone will not deliver comfort.

Maybe European and South American stakeholders working together?

Generating and circulating **reliable data**;

Allowing predictability and planning on **both sides of the Atlantic**;

Resulting in a more **balanced** supply and demand ratio

...and prices that are workable for all involved.



**In a
nutshell...**

**...cooperation
is key to
balance and
stability!**

THANK YOU!

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