

STUDY ABOUT EVOLUTION OF THE ROMANIAN RAPESEED MARKET AND ROMANIA'S POSITION IN THE INTERNATIONAL TRADE WITH RAPESEED

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Abstract

This paper aimed to analyse the evolution of the Romanian rapeseed market during recent years and its contribution in the international trade with rapeseed. The research method is based on a quantitative approach, based on national and international time data series related with production and trade. The results indicated that Romania became a significant player on EU rapeseed market, and many Romanian farmers focused in the last years on rapeseed production, due the high imports demand on international markets and favourable intern production context.

Key words: trade, rapeseed, market, Romania

INTRODUCTION

The decision reasons to cultivate rapeseed in Romania was studied before for the period 2007-2013 and the motivation was related with export potential [3]. The evolution of rapeseed surfaces was positive and impressive, if compared with areas cultivated some decades before [1]. The rapeseed cultivation in Romania was encouraged by its moderate temperature requirements, but its demanding for moisture might be an important concern in near future for the Romanian farmers in the context of climate change [2] and obtained yield under EU average. New options in the use of rapeseed as the biochar obtained by pyrolysis were fashioned in other studies related with use of renewable resource [5]. Similar uses developed in the last decades can only lead to the development of the rapeseed market. In a study from 2019 Romania was not include in the major EU countries - producers of oilseed from rapeseeds, which means that Romania processing of rapeseed is not a major target, being preferred the exports of rapeseed as raw material [10]. At world level, rapeseed production is ranked in the second place after the soya beans, but before sunflower. In

average EU cultivated in recent years over 5.5 million ha of rapeseed, with an average oilseed production of 17.25 million tonnes, rapeseed being the main oilseed crop at EU level [4]. EU imported only in the agriculture year 2022-2023, over 6.834 thousand to of rapeseed, in order to cover an internal consumption of 25.842 thousand to.

In this context, the aim of this study was to analyze cultivated surfaces, yields, production and trade with rapeseeds and also Romania's position in the international market.

MATERIALS AND METHODS

Both statistic and trade indicators were used in this paper. We analysed the evolution of rapeseed sector in Romania, in terms of surfaces, yields and total production trend in the recent years. We also analysed the evolution of the Romanian trade balance for the rapeseed. The destination of Romanian rapeseed exports in the last years were also considered within this paper. At the world level we considered the evolution of the trade exports and imports for the main players on the international world rapeseed markets. The data were provided by International Trade

Centre - ITC and National Institute of Statistic
 - INSSE from Romania.

RESULTS AND DISCUSSIONS

In 2021 the rapeseed surfaces cultivated in Romania were about 446 thousand ha, that produced 1.375 million to [8], but in some years we could notice that the rapeseed surfaces exceeded 600 thousand ha. At national level rapeseed ranked among oleaginous plants, after sunflower, which is usual cultivate on over 1 million ha.

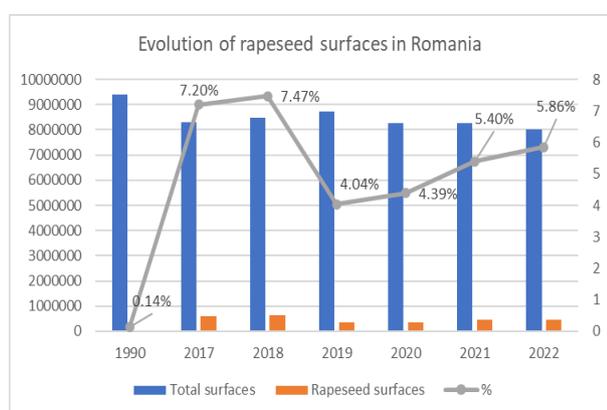


Fig.1. Evolution of the rapeseed surfaces in Romania (ha, %)
 Source: INSSE [7].

In 2017 and 2018 Romania produced over 1.6 million to of rapeseed, so it will not be a surprise if in the next decade will reach a production of over 2 million to. For this assumption we considered that the yields are still very low in Romania and can grow significant, based on improved technology and new rape varieties.

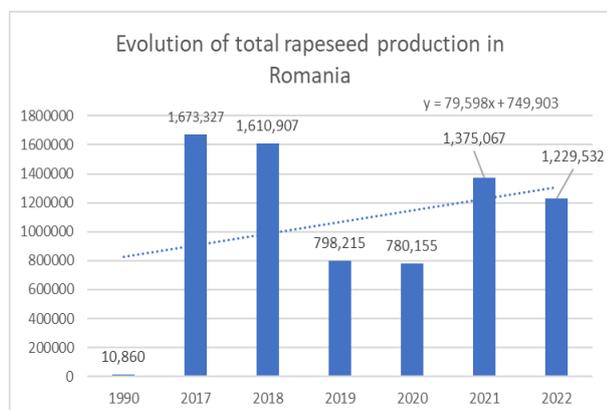


Fig. 2. Evolution of the rapeseed production in Romania (to)
 Source: INSSE [7].

Even if Romania is an important rapeseed producer in EU, the rapeseed yield exceeded only in the favourable years 3 to per ha. The international context was favourable for Romanian farmers that focused in the last decade on rapeseed production: EU was a net importer of oilseed, the option of increasing areas cultivated with rapeseed within the other EU countries were limited, the consumption of rapeseed meal had a positive trend and the oilseed prices were at historical high levels.

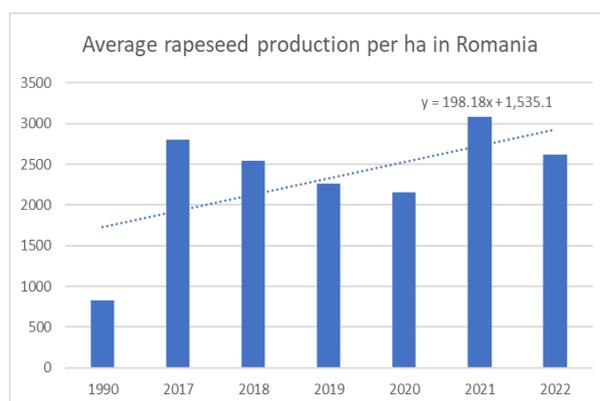


Fig. 3. Evolution of the rapeseed yields in Romania (kg/ha)
 Source: INSSE [7].

If in 2003 Romania exported 0.03% from the entire World exports of rapeseed, in 2016 was recorded the highest share of Romanian rapeseed exports in the World exports with rapeseed, of 6.59 %.

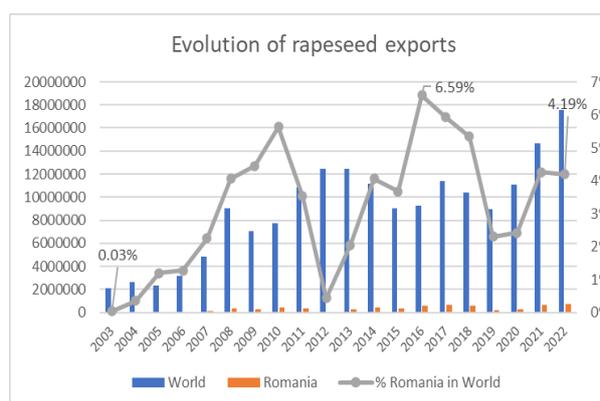


Fig. 4. Share of Romanian rapeseed exports in the World exports with rapeseed (thousand \$, %)
 Source: ITC [9].

Canada is the main rapeseed exporter in the world. More than one third of the world rapeseed exports are delivered from Canada, but Romania gained an important position in last years in the top of the world rapeseed

exporters. While the Australia is not a competitor for Romania, due to the long distance between EU and Australia, Ukraine is a country with huge export influence on the

EU and World markets. In the EU, Netherland and France are the countries that influence the world export prices and the entire volume of exports.

Table 1. World main exporters of rapeseed (thousand \$)

	2017	2018	2019	2020	2021
Total World	11,400,972	10,397,101	8,944,350	11,090,593	14,662,328
Canada	5,051,976	4,497,330	3,240,599	4,687,367	5,097,339
Australia	1,283,623	937,684	675,343	793,547	2,207,745
Ukraine	881,546	1,010,936	1,282,422	1,007,019	1,690,866
Netherland	597,699	405,304	431,404	867,995	96,835
France	730,511	726,66	782,063	634,497	959,793
Romania	676,276	563,247	206,279	262,037	629,776
Belgium	227,073	284,886	137,072	447,367	406,938
Lithuania	99,22	90,348	135,453	305,895	351,147
Hungary	346,169	305,031	368,075	345,991	319,443
Czech Republic	116,904	140,579	18,659	160,767	208,432

Source: ITC, 2023 [9].

Germany is the main importer of rapeseed in the world, followed by Japan and China. Germany is using large quantities of rapeseed

in the production of biodiesel and for animal feed.

Table 2. World main importers of rapeseed (thousand \$)

	2017	2018	2019	2020	2021
Total World	11,690,512	10,958,558	9,559,738	11,368,552	15,110,843
Germany	2,737,799	2,524,213	2,453,642	2,666,733	3,390,667
Japan	1,153,170	1,125,663	1,032,930	965,990	1,603,407
China	2,162,153	2,225,856	1,224,336	1,363,515	1,540,091
Belgium	1,104,098	1,030,007	843,986	960,125	1,335,124
France	582,448	456,954	572,372	714,677	1,033,761
Netherland	470,061	135,066	739,549	1,021,778	908,421
Mexico	702,132	649,281	0	560,054	736,290
UAE	402,918	362,394	317,930	500,194	711,643
UK	154,001	93,242	162,379	234,259	567,909
Poland	222,861	336,478	241,320	210,675	352,677

Data source: ITC, 2023 [9].

Japan is using rapeseed as a source of vegetable oil, known as canola oil in some regions. This is why Japan imports large quantities of rapeseed, in order to produce edible oil for cooking and food processing. Canola oil is known for its low saturated fat content and high levels of healthy monounsaturated and polyunsaturated fats, making it a popular choice for health-conscious consumers [6]. China became one of the main world producers of rapeseed, after Canada, which helped them lowering the imports of rapeseed in the last years.

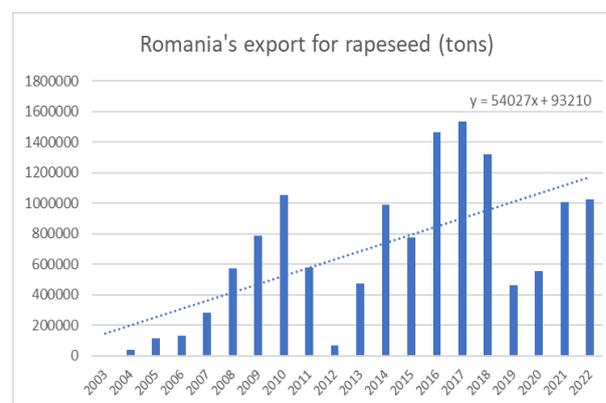


Fig.5. Evolution of Romania's exports of rapeseed (to), Source: ITC [9].

Most part of the Romania rapeseed production is delivered on the EU market. The exports level is depending on yearly production, but

the trend was significant positive in the last decade.

Table 3. Romanian main destinations of the rapeseed exports and intra EU deliveries (to)

	2018	2019	2020	2021	2022
World	1,320,200	460,019	554,779	1,006,963	1,021,306
Belgium	196,504	68,318	72,334	169,420	222,598
Germany	407,635	122,457	99,707	116,115	162,804
Netherlands	272,249	122,163	206,973	289,313	143,576
France	123,668	3,813	1,972	151,445	118,239
Hungary	33,083	23,942	33,943	94,557	101,235
Czech Republic	87,341	70,526	100,745	74,267	96,015
United Kingdom	549	3,017	4,293	0	52,589
Poland	91,192	27,939	9,529	45,102	49,282
Pakistan	29,414	0	0	0	47,000
Slovakia	5,503	5,252	8,415	13,207	7,178

Data source: ITC, 2023, [9].

In 2022 from 1 million to that left Romania, over 222 thousand to were delivered to Belgium, more than 162 thousand to were sent in Germany and more than 143 thousand to of rapeseed arrived in Netherland from Romania. Pakistan was the main non-EU destination of the Romanian rapeseed exports, with over 47 thousand to.

Romania is a net exporter of rapeseed, and the trade balance of rapeseed improved in the last years, recording the highest level of 615,377 thousand \$ in 2017.

In 2022, the trade balance indicated a surplus of 440,826 thousand \$ (Fig. 7).

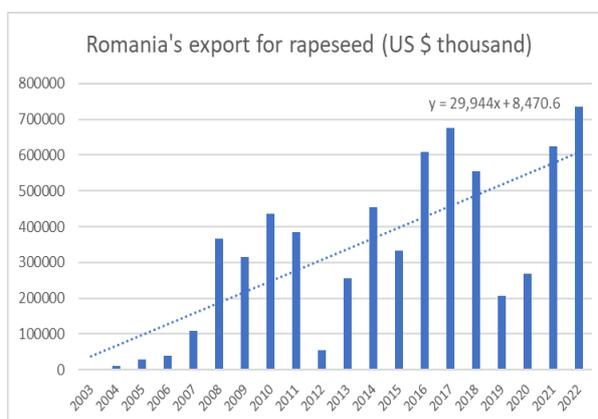


Fig. 6. Evolution of Romania's exports of rapeseed (value, thousand \$)

Source: ITC [9].

Table 4. Romanian main destinations of the rapeseed exports and intra EU deliveries (thousand \$)

	2018	2019	2020	2021	2022
World	554,551	206,216	268,942	624,886	734,524
Belgium	79,523	28,531	32,393	106,114	150,987
Germany	171,088	53,652	49,495	71,540	128,097
Netherlands	115,639	51,048	92,833	177,393	100,578
France	56,427	8,538	9,660	83,843	80,639
Hungary	13,152	11,246	15,506	64,483	69,851
Czech Republic	33,431	28,082	43,140	44,446	66,313
Poland	36,505	11,078	4,133	27,432	37,790
United Kingdom	238	2,294	3,354	0	36,269
Pakistan	12,709	0	0	0	32,593
Bulgaria	3,462	2,951	4,837	17,094	10,080

Source: ITC, 2023 [9].

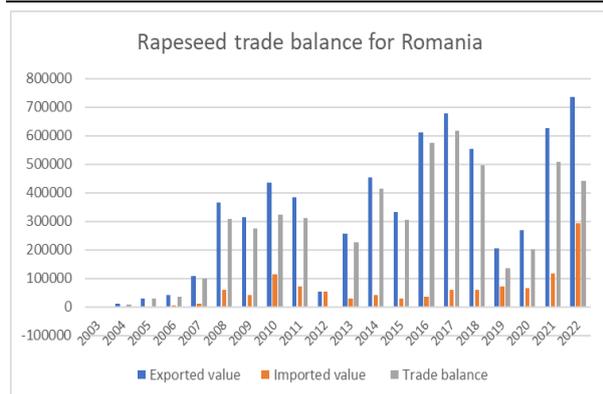


Fig. 7. Evolution of Romania's trade balance for rapeseed (thousand \$)
Source: ITC [9].

CONCLUSIONS

Rapeseed production is a major option for the Romanian farmers. The Romania delivers most part of its yearly production in the EU, and also export important quantities in the non-EU countries. The increase of rapeseed products on world level maintained the prices high on the international rapeseed markets, and offer producer stability in their production intention. The climate changes are the main challenges for the farmers in the rapeseed sector, while the selling rapeseed most as raw material indicates the very low level of processing rapeseed in Romania, which could produce huge quantities of rapeseed oil and sell it at very attractive prices.

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