

Foreign Agricultural Service

Global Market Analysis

International Production Assessment Division

Web: <https://ipad.fas.usda.gov>

November 8, 2024

Commodity Intelligence Report

Baltics 2024 Crop Conditions Summary

The three Baltic countries of Estonia, Latvia, and Lithuania are located in the northeast corner of the European Union (EU). They share borders with Poland, Belarus, and Russia. Most of their land is allocated for agriculture use (Figure 1). Due to a large amount of marshy lowlands, pasture for dairy is very common, leading to some of the most intensive dairy production in the EU (Figure 2). Arable lands (Figure 3) in the Baltics are typically cultivated with wheat, barley, rapeseed, oats, rye, beans, peas, sugar beets, and potatoes (Figure 4). Ranking second in the EU (after Austria), Estonia has 25 percent of its agricultural area comprised of organic crops. Forested area is also very common in the two northern countries of Estonia and Latvia with wood products being a large export. (Figure 5). In late July 2024, FAS analysts from Washington and Warsaw, Poland (with coverage of the Baltics) conducted crop travel in Latvia and Estonia.

All three countries have port facilities along the Baltic Coast, capable of import and export activities. Lithuania, with the most farms of the three countries, has the smallest average farm size, at 22 hectares (ha). Latvia's average farm size is slightly larger at 30 ha and Estonia, significantly larger at 86 ha, all based on the EU 2020 census.

Agricultural land comprises most of the area in each country, and cereals cover the majority of the crops. Wheat is the primary grain in the Baltics (Figure 6). For Marketing Year (MY) 2024/25, it is estimated at 4.6 million metric tons (mmt) in Lithuania, with area estimated at 0.9 million hectares (mha), and yield at 5.09 tons per hectare (t/ha). Latvia's production of 2.6 mmt of wheat is from 0.5 mha and a yield of 4.81 (t/ha). Estonia is estimated to produce 0.8 mmt from 0.2 mha, with a yield of 4.46 t/ha (Figure 7).

Rapeseed is the region's primary oilseed (Figure 8). For MY 2024/25, it is estimated at 0.9 mmt for Lithuania, harvested from 0.3 mha and with a 2.97 t/ha yield. Latvia is estimated to produce 0.3 mmt from 0.1 mha, for a 2.50 t/ha yield, and in Estonia, 0.2 mmt from 0.1 mha, and a 2.57 t/ha yield (Figure 9). Farmers noted yield decreases after the neonicotinoid ban went into effect several years ago, allowing insects to increase crop damage. The recommendation for rapeseed rotation is once every three-to-four years, but due to profitability and limited agricultural options, the frequency is more rapid.

For USDA's area, yield, and production estimates for individual Baltic countries and all other EU member states, please visit PSD Online at <https://apps.fas.usda.gov/PSDOnline/app/index.html#/app/home>, and select "Downloadable Data Sets." Select the zipped file for "EU Countries Area & Production."

Most of the 2024/25 crops improved over the previous year, when drought reduced yields. Satellite-derived Normalized Difference Vegetation Index (NDVI) depicts the vegetative loss in the 2023/24 crop vigor, displayed in yellow, while the 2024/25 crop NDVI in red, on the chart, appears to be close to average (Figure 10).

Peas are becoming a more common crop in the Baltic countries. It has the benefit of adding nitrogen into the soils and expanding the cropping mix as required in the EU's Green Deal. Its protein value is also being targeted in food industry products. Winter barley area was also reportedly increasing due to the milder winters, allowing it to better survive overwintering. A secondary grain, barley is estimated at 0.6 mmt in Lithuania, 0.5 mmt in Estonia, and 0.3 mmt in Latvia for MY 2024/25.

While on crop tour, FAS analysts discussed current conditions and outlooks with farmers and industry representatives. Among other issues, farmers complained about market volatility and lower commodity prices. High input costs, such as fertilizer and seeds, made farming especially challenging. In the Baltics, one of the unique problems is the short season where crops need to be artificially dried, at a large expense, to reach the low moisture levels necessary for storage. Farmers often spoke about the challenges of EU restrictions and the increased risk of extreme weather events. Dealing with risk management has become increasingly more important with climate change.

In Latvia, the FAS travel team experienced one of these extreme weather events on July 28-29 when a very strong wind and rainstorm moved in from the Baltic Sea (Figure 11). According to the Ministry of Agriculture, 16,000 hectares were damaged, primarily wheat, rapeseed, and oats in the south-central region. Fortunately for the farmers, crop insurance policies are common in Latvia. While dodging downed trees on the roads and passing flooded houses, the travel team visited one farmer who had been baling water all night from her house and had no electricity, reporting 300 millimeters (12 inches) of water had fallen from the storm in just one day. Many fields, ready for harvest, were completely flattened to the ground (Figure 12). Farmers had rushed through as much harvesting as possible prior to the storm's onset to save as much as possible.

Farmers mentioned that weather conditions are increasingly more variable. In Estonia, one farmer said, while winter isn't typically cold for as long as it was in the past, its variability is greater, with temperatures last winter falling to -30 Celsius, causing rapeseed winterkill. Also, he said summer temperatures are higher earlier, heat lasts longer, and it remains later than in the past. In addition, the war in Ukraine was said to have increased input prices while creating more uncertainty and volatility in the market.

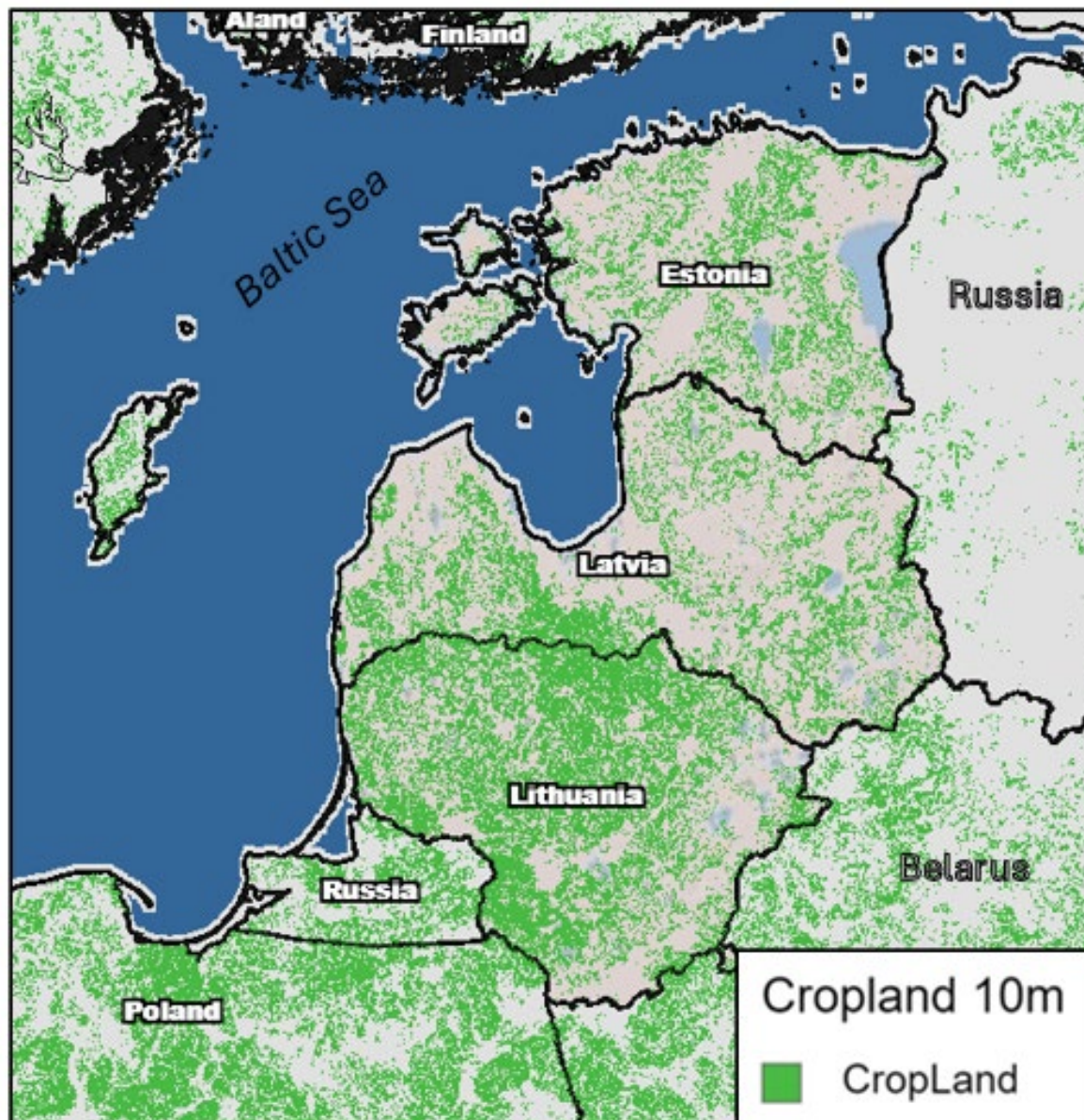
The team toured a shipping facility at the Port of Riga where grains and oilseeds are exported. Russian rail cars from adjacent areas of northwest Russia were on site as

there is no restriction on Russian grain transiting Latvia (Figure 13). The Baltic countries, previously part of the USSR, have the same size rail gauge as Russia, making rail transit and connections to the Baltic country's seaports easier than most other EU countries.

In February 2022, the EU imposed economic sanctions on Russia, but food products were excluded. Two years later, in February 2024, the Latvian parliament introduced a unilateral ban on the import of agricultural products from Russia and Belarus. The banned product list includes: all vegetables, all fruits, berries and nuts, all cereals, all feed raw materials and animal feed. Latvia also blocked imports of these products from Russia and Belarus, even if they originate from third countries. The ban does not apply to agricultural products and feed transported from Russia and Belarus in transit to European Union countries outside Latvia. The import ban is valid until July 1, 2025.

In May 2024, the Council of the European Union adopted a regulation that imposes prohibitive tariffs on cereal products imported from Russia and Belarus. The tariffs on cereals, oilseeds and derived products from Russia and Belarus have made the import price of these products uncompetitive. These measures entered into force July 1, 2024.

Cropland in the Baltics



Sentinel-2, 10m land use/land cover 2020

Figure 1. Sentinel-2, 10m land use/land cover 2020



Dairy Operations, Estonia
July 31, 2024



Photos courtesy FAS

Figure 2. Dairy Operations in Estonia; July 31, 2024. Source: FAS photos

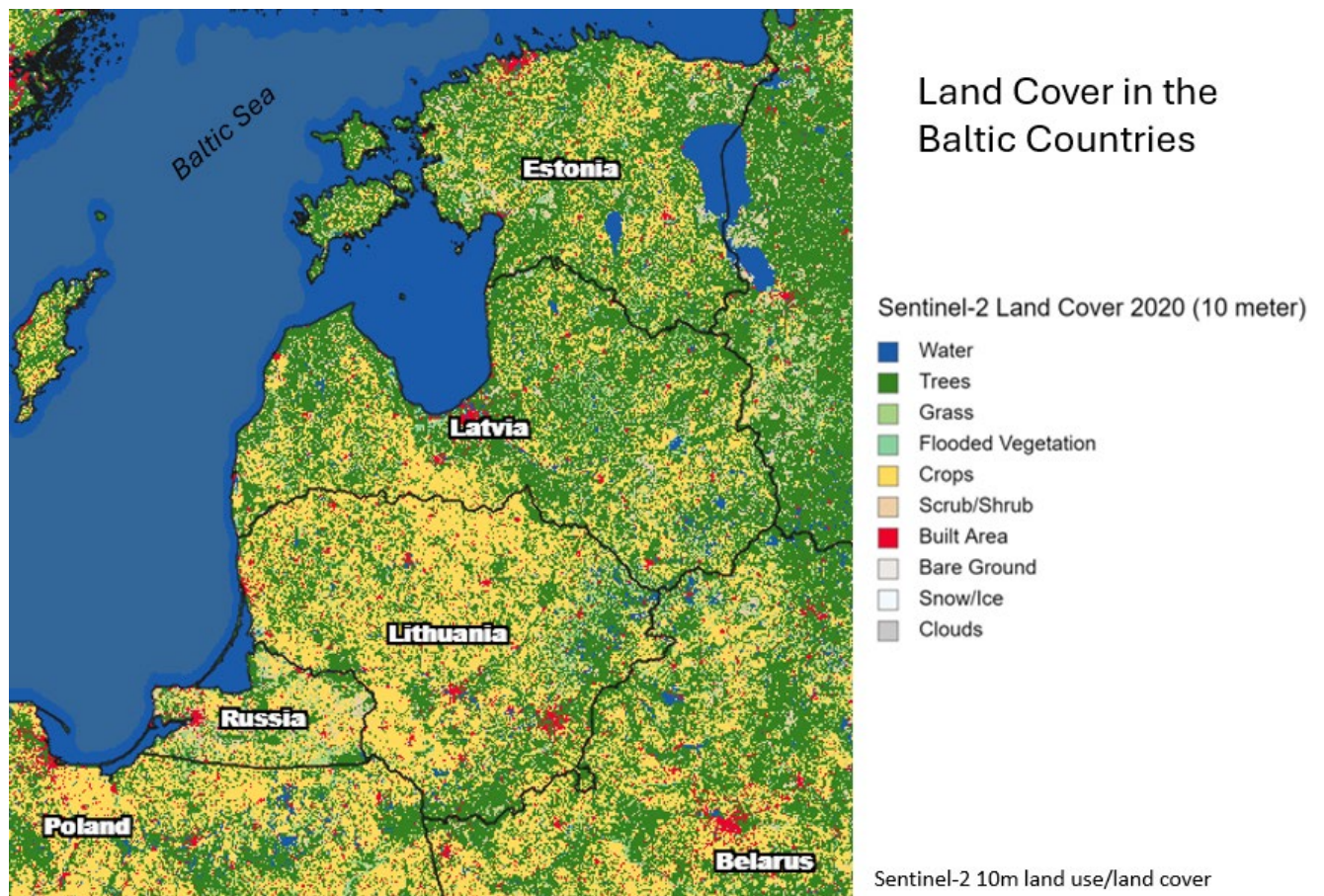


Figure 3. Land Cover in the Baltic Countries. Source: Sentinel-2 10m land use/land cover

Fields in Estonia. End of July 2024

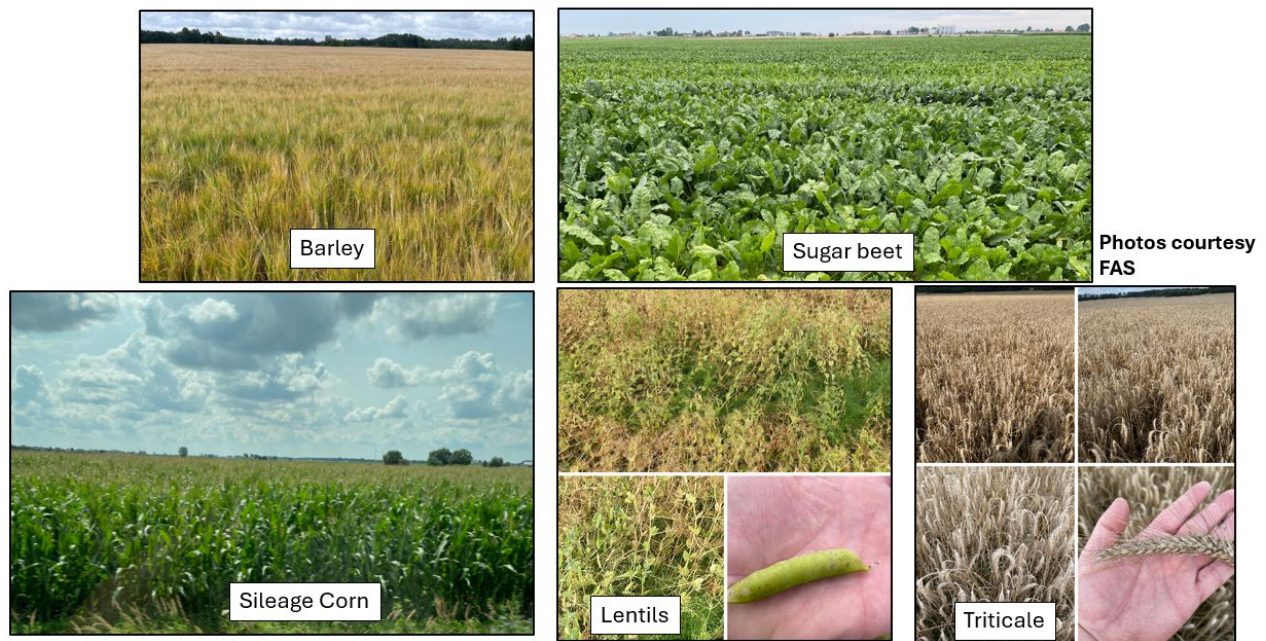


Figure 4 Crops from field travel photos in Estonia. End of July 2024.
Source: FAS photos

Baltic Forests

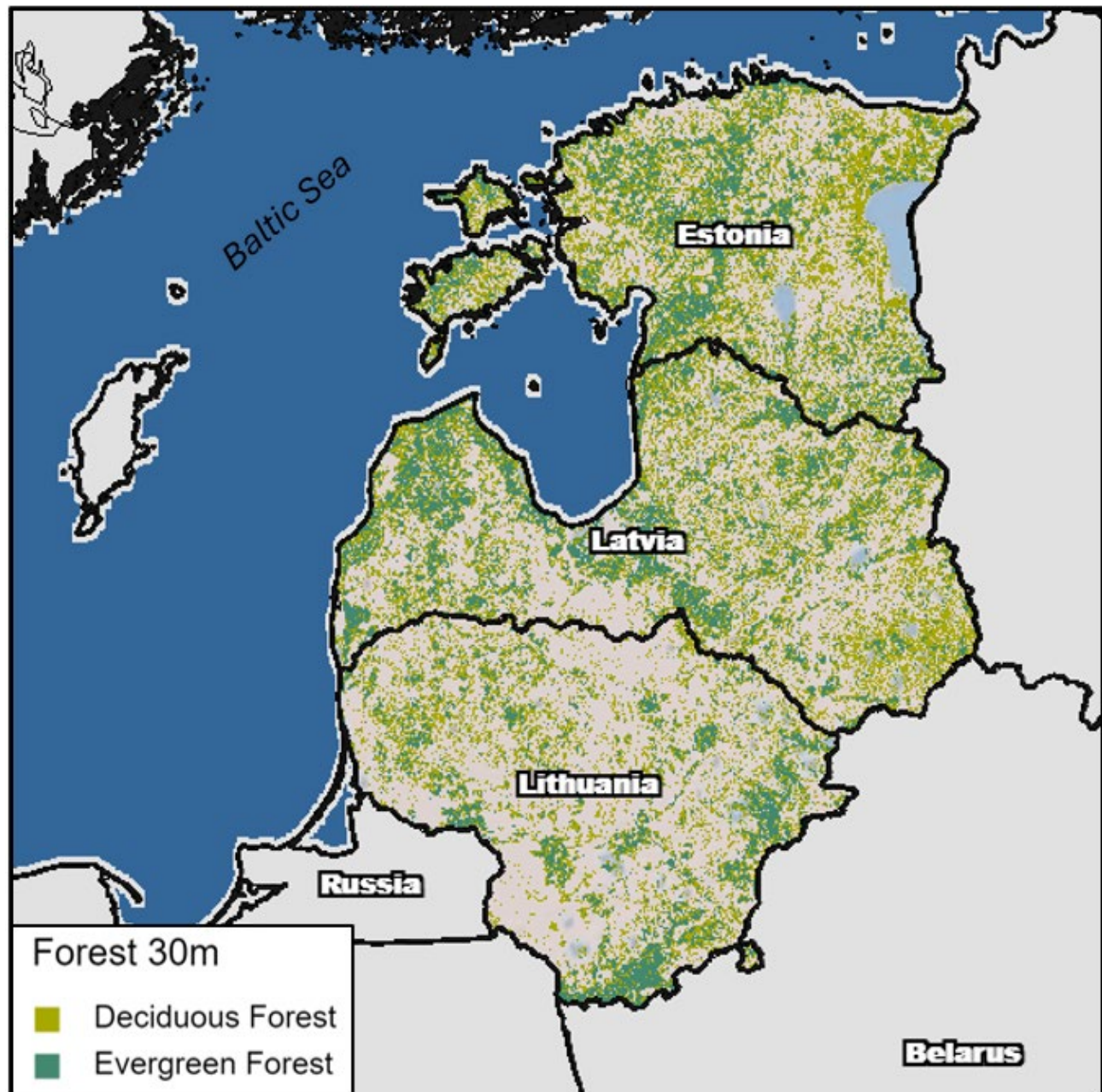
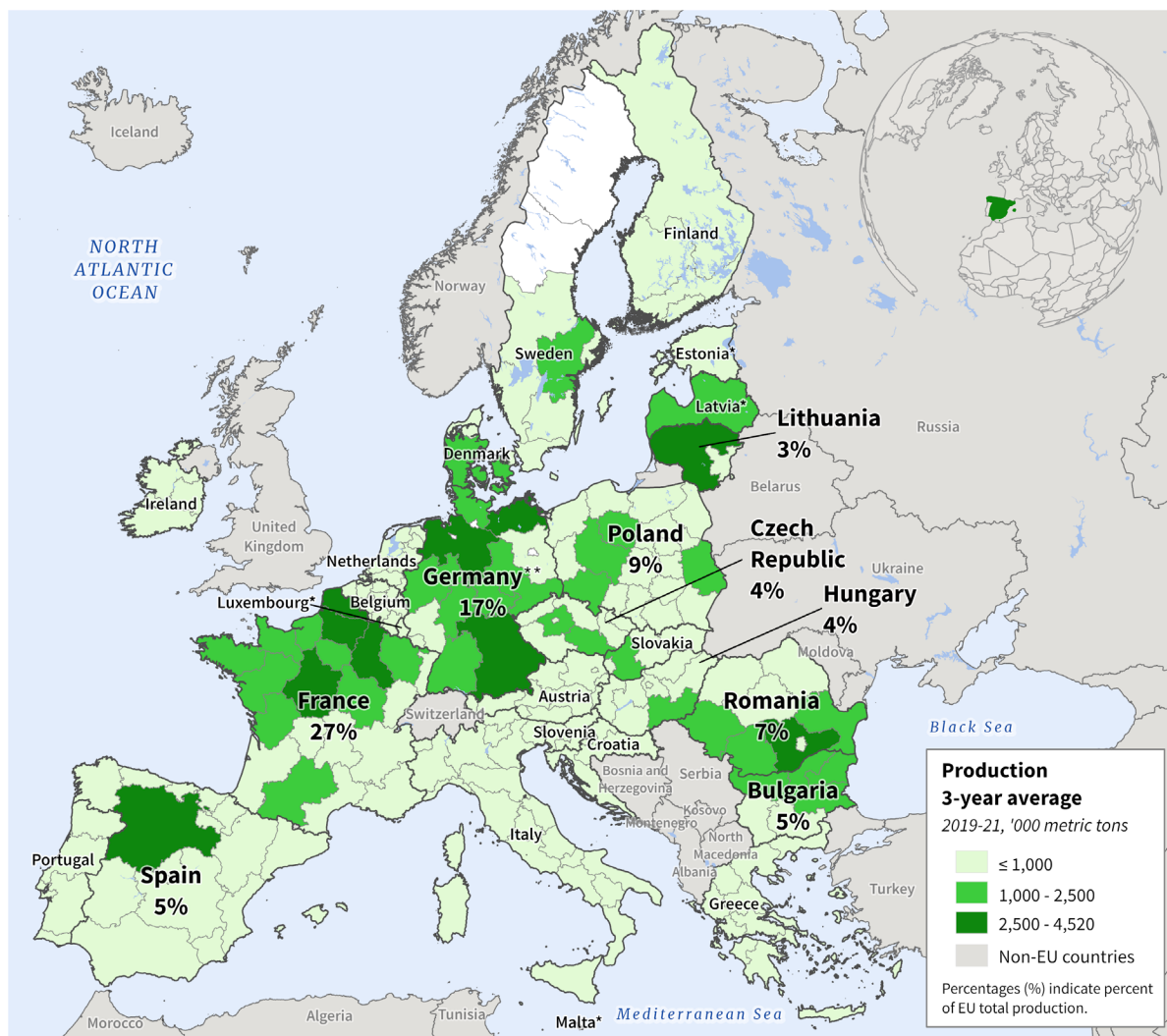


Figure 5. Baltic Forests Map

Source: NGA global land use/land cover dataset from 2010 Landsat 30m

European Union (EU): Wheat Production



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Source: Eurostat by Nomenclature of Territorial Units for Statistics (NUTS) 2 region, with exceptions indicated by * (NUTS 0/country-level data), or ** (NUTS 1 region)

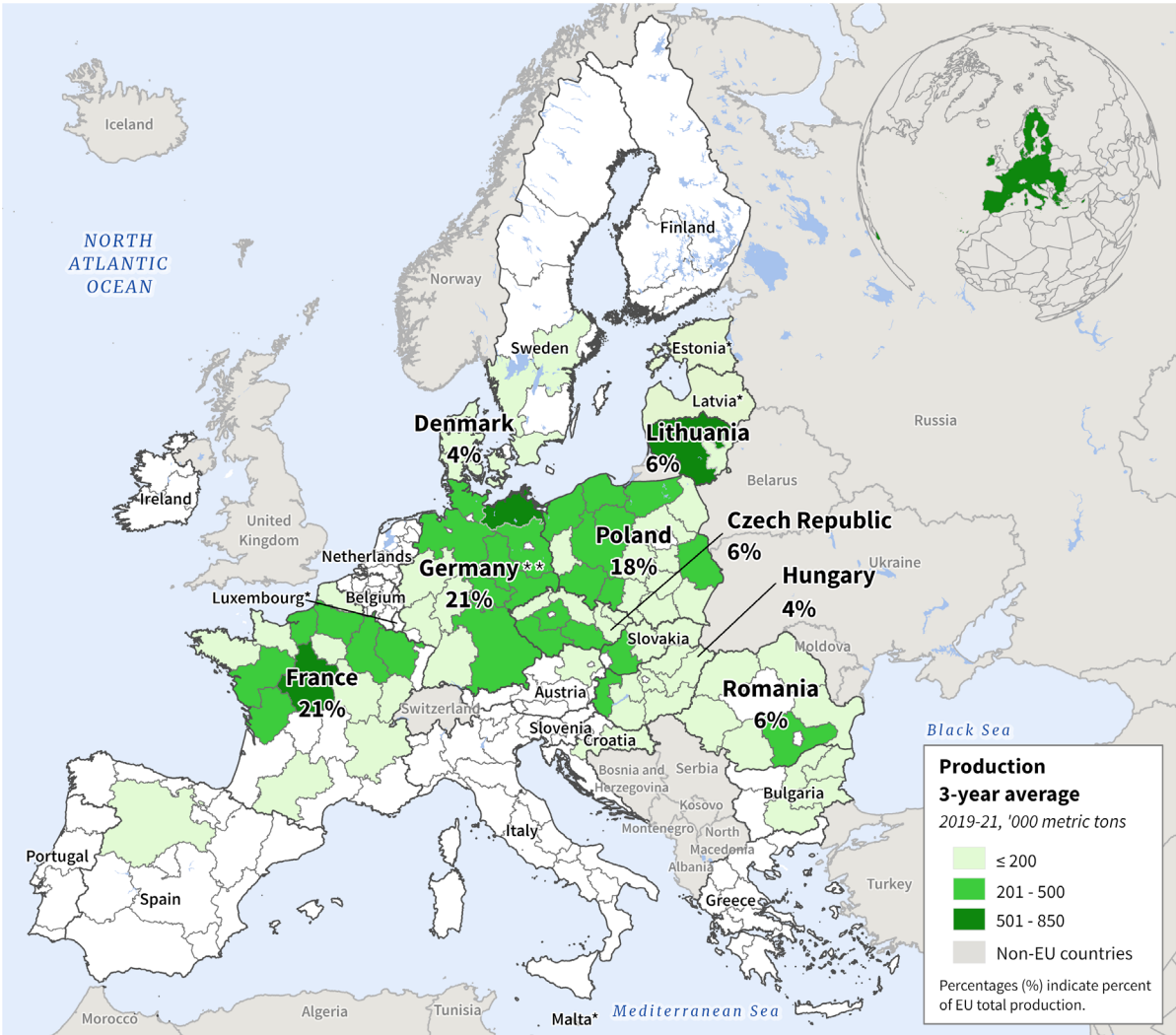
Figure 6. EU Wheat Production Map. Source: Eurostat

Wheat in Estonia



Figure 7. Mature wheat drying in eastern Estonia; July 31, 2024. Source: FAS photos

European Union (EU) Rapeseed Production



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Source: Eurostat by Nomenclature of Territorial Units for Statistics (NUTS) 2 region, with exceptions indicated by * (NUTS 0/country-level data), or ** (NUTS 1 region)

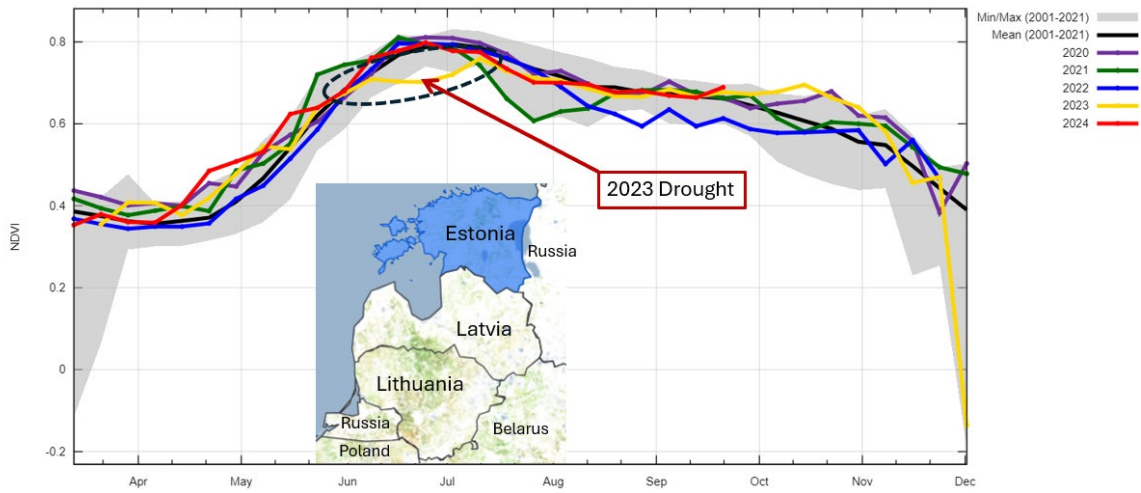
Figure 8. EU rapeseed production map. Source: Eurostat

Rapeseed in Estonia

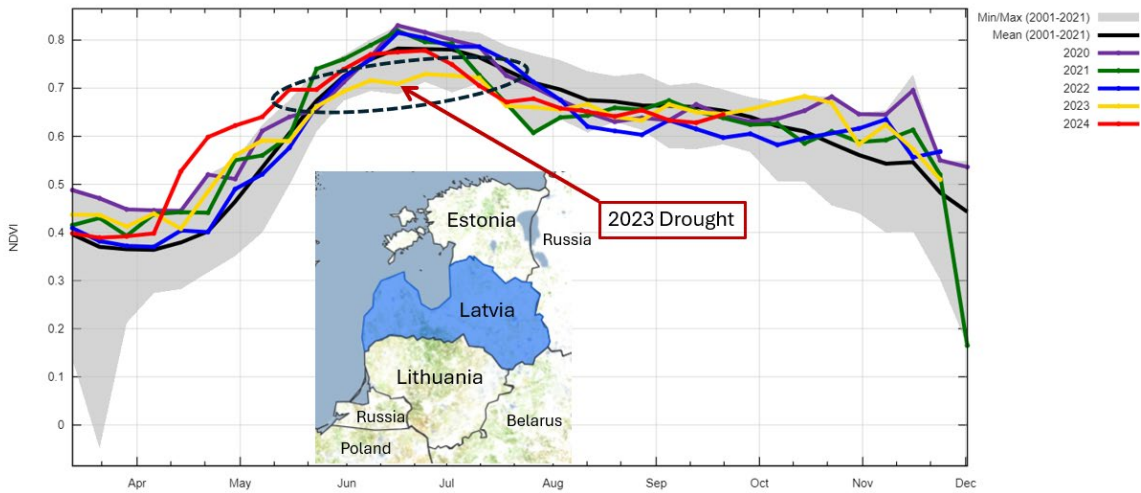


Figure 9. Mature rapeseed in eastern Estonia; July 31, 2024. Source: FAS photos

Plot 1. Seasonal Time Series for Terra MODIS 8-day NDVI / ESRI Sentinel-2 Crops / Estonia



Plot 1. Seasonal Time Series for Terra MODIS 8-day NDVI / ESRI Sentinel-2 Crops / Latvia



Plot 1. Seasonal Time Series for Terra MODIS 8-day NDVI / ESRI Sentinel-2 Crops / Lithuania

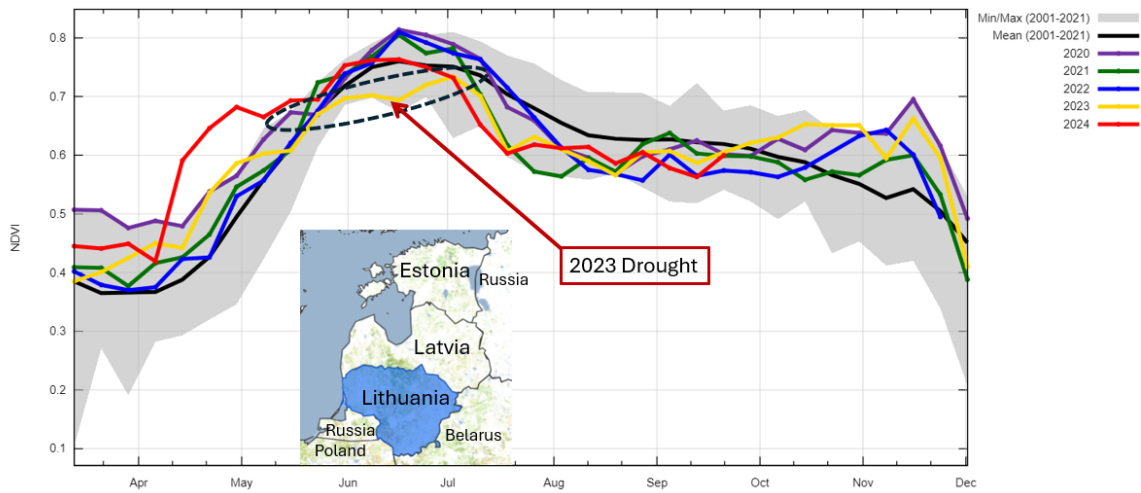


Figure 10. Seasonal NDVI for Estonia, Latvia, and Lithuania. Source: NASA/USDA Global Agricultural Monitoring (GLAM)

**Conditions during crop travel
when a severe summer
storm focused on Latvia
July 29, 2024**



Photos courtesy of FAS

Figure 11. Photos showing conditions during crop travel in Latvia after a summer storm from the Baltic Sea made landfall. July 29, 2024. Source: The Weather Channel radar and FAS photos

**Conditions during crop travel from summer storm coming off the Baltic Sea
Near Jelgava, Latvia, July 29, 2024**



Photos courtesy FAS

Figure 12. Photos showing conditions during crop travel from summer storm coming off the Baltic Sea. Damaged crops and flooded fields near Jelgava, Latvia, July 29, 2024. Source: FAS photos

Russian grains being loaded for export at the Port of Riga; July 2024



Photo courtesy of FAS

Figure 13. Russian grains being loaded for export at the Port of Riga; July 2024. Source: FAS photos

The contributions of the USDA Office of Agricultural Affairs in Warsaw are gratefully acknowledged, as well as their support for logistics and travel in Latvia, and Estonia.

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For country-specific area, yield, and production estimates within the European Union (EU), please go to PSD Online at <https://apps.fas.usda.gov/PSDOnline/app/index.html#/app/home>, and select “Downloadable Data Sets.” Select the zipped file for “EU Countries Area & Production.”

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Current World Agricultural Production Reports
<https://www.fas.usda.gov/data/world-agricultural-production>

Production, Supply and Distribution Database (PSD Online)
<https://apps.fas.usda.gov/psdonline/app/index.html#/app/home>

Global Agricultural Information Network (Agricultural Attaché Reports)
<https://www.fas.usda.gov/databases/global-agricultural-information-network-gain>

Crop Explorer
<https://ipad.fas.usda.gov/cropeexplorer/>

Global Agricultural and Disaster Assessment System (GADAS)
<https://geo.fas.usda.gov/GADAS/index.html>