

Voluntary Report – Voluntary - Public Distribution

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Report Name: US Food and Agricultural Exports to Romania Reach a New Record

Country: Romania

Post: Bucharest

Report Category: Agricultural Situation, Agriculture in the News

Prepared By: Monica Dobrescu

Approved By: Alicia Hernandez

Report Highlights:

In 2021, according to Romania's National Institute of Statistics (NIS), Romania imported \$182 million of U.S. food and agricultural products, up 2.7 percent compared to 2020. According to the U.S. Census Bureau's bulk, intermediate, and consumer-oriented (BICO), U.S. suppliers shipped \$84 million of U.S. food and agricultural products to Romania in 2021. The latter export data tracks U.S. food and agricultural trade shipped directly to Romania, but there is considerable U.S. agricultural exports reaching Romania through Western European ports of entry, which is not captured by BICO. FAS Bucharest encourages USDA cooperators and other U.S. food and agricultural exporters and stakeholders to review different data sources when considering resource allocation and market development strategies for Romania to understand the true volumes and values of U.S. products consumed in Romania.

General Information:

Overview

The United States is a top-20 supplier of food and agriculture to Romania. U.S. goods flow into Romania either directly from the United States (mainly bulk and intermediate products) or are transshipped through the other westerns European Union (EU) ports of entry in Italy, the Netherlands, and Germany, which is most common for consumer-oriented goods. Because BICO data only reflects direct U.S. exports to Romania, it does not include significant volumes of U.S. trade routed through distributors in Rotterdam, Bremerhaven, and other large Western European port cities. As a result, Post views Romania's NIS data, which includes both direct and indirect trade, as a more accurate reflection of Romanian demand for U.S. food and agricultural products.

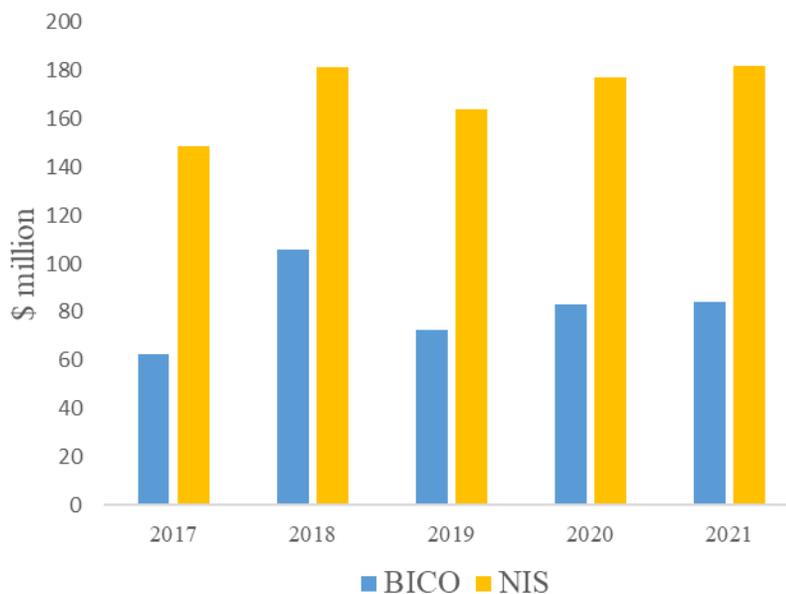
According to NIS data, Romanian importers sourced \$182 million of U.S. food and agricultural products in 2021, up 2.7 percent from 2020 (Table 1).

Table 1. U.S. Food and Agricultural Trade to Romania 2017-2021 (\$ million)

Source of Data	2017	2018	2019	2020	2021
BICO (Direct U.S. exports to Romania)	62.4	105.6	72.5	83.1	84.2
NIS* (Direct and Indirect imports from the United States)	148.6	181.5	164.1	177.3	182.1
Difference (Indirect exports)	86.2	76	91.5	94.3	97.8
<i>Percentage of indirect exports</i>	<i>58</i>	<i>42</i>	<i>56</i>	<i>53</i>	<i>54</i>

**Data on direct imports published by Trade Data Monitor (TDM)*

Chart 1: U.S. Food and Agricultural Trade to Romania



U.S. Food and Agricultural Trade to Romania by Major Category

Direct U.S. agricultural exports to Romania generally consists of bulk commodities shipped as sea freight, including soybeans, soybean meal, sunflower seeds, and fishery products. The trade data for these categories are captured by both BICO and NIS data. Indirect trade tends to include products that are shipped in smaller quantities, or that may require more flexible terms of trade than U.S. suppliers are willing to provide. In other cases, Western European distributors can offer U.S. shippers sales volumes that would be difficult for Romanian importers to match. Many U.S. exporters also find it more efficient to simply ship larger volumes to well-established distribution hubs in Western Europe and rely on those channels to supply other EU markets. In addition, some Romanian importers prefer to work through European distributors and find it convenient for intermediaries to handle EU customs clearance for U.S. products. For new-to-market products, some Romanian importers prefer to purchase smaller volumes to test consumer demand and to build distribution channels. Finally, European distributors may incentivize Romanian importers with favorable terms of payments or advertising, particularly if there are longstanding commercial relationships. The main countries in which U.S. goods arrive before being shipped to Romania are Germany, the Netherlands, Italy, Spain, and Belgium.

In terms of major categories, food preparations (\$46.5 million), sunflower seeds (\$25.4 million), soybeans (\$25.2 million), distilled spirits (\$15 million) and tree nuts (\$11.4 million) were the largest import categories and accounted for nearly 70 percent of total U.S. food and agricultural exports to Romania. Table 2 below shows the BICO and NIS data for U.S. agricultural trade to Romania for the major categories.

Table 2. 2021 Direct and Indirect U.S. Ag, Food, and Fishery Trade to Romania (\$)

HS Code	Description	BICO (Direct U.S. exports to Romania)	NIS (Direct* and Indirect imports from the United States)	Difference (Indirect exports)	% share of indirect exports
Agricultural and fishery products		84,223,000	182,100,000	97,877,000	53.7
0201 - 0202	Meat of bovine animals, fresh, chilled or frozen	-	1,778,270	1,778,270	100.0
0303-0307	Fishery Products	1,284,000	1,525,568	241,568	15.8
0701	Potatoes, fresh or chilled	-	217,920	217,920	100.0
0712	Dried vegetables	3,000	193,435	190,435	98.4
071420	Sweet potatoes	734,000	2,185,032	1,451,032	66.4
0802	Other nuts	1,503,000	11,369,759	9,866,759	86.8
804	Dates, figs, pineapples	-	14,925	14,925	100.0
081040	Cranberries	-	43,463	43,463	100.0
1005	Corn	-	132,745	132,745	100.0
1201	Soya beans	41,483,000	25,202,458	(16,280,542)	-64.6
1202	Groundnuts	-	422,357	422,357	100.0

1206	Sunflower seeds	5,615,000	25,390,833	19,775,833	77.9
1209	Seeds, fruit and spores	42,000	2,467,387	2,425,387	98.3
1806	Chocolate and other food prep. contain cocoa	14,000	253,567	239,567	94.5
200811	Groundnuts	-	1,560,386	1,560,386	100.0
200893	Cranberries	-	295,539	295,539	100.0
2009	Fruit juices and vegetable juices	130,000	214,123	84,123	39.3
2101	Extracts, essences and concentrates, of coffee	14,000	594,344	580,344	97.6
2103	Sauces and preparations	286,000	608,624	322,624	53.0
2106	Food preparations not elsewhere spec. or included	9,831,000	46,542,423	36,711,423	78.9
2204	Wine of fresh grapes	211,000	806,915	595,915	73.9
220830	Whiskies	6,989,000	12,654,095	5,665,095	44.8
230910	Dog or cat food	2,108,000	3,176,232	1,068,232	33.6

**Data on direct imports published by TDM*

As shown in the above table, BICO shows no data for U.S. beef trade to Romania, while NIS data reveals that U.S. beef trade reached \$1.7 million in 2021. The increase was due to both volume and value. Beef arrives in Romania mainly through the Netherlands, Italy, and Germany because of volume flexibility and licensing requirements.

BICO data shows U.S. trade for sweet potatoes valued at \$734,000 in 2021, while NIS data reveals a value of nearly \$2.1 million. U.S. sweet potatoes are shipped to Romania through Germany, Italy, and the Netherlands. Imports of sweet potatoes from the United States more than doubled in three years in both value and volume.

In the case of soybeans, BICO data shows that 2021 U.S. exports to Romania were higher (\$41 million) than NIS data (\$25 million). Post believes that \$16 million of U.S. soybeans captured by the U.S. Census Bureau were not consumed in Romania and were transshipped to other markets.

BICO does not show U.S. groundnuts exported to Romania in 2021, while NIS data shows U.S. peanut trade valued at \$422,000. This pattern is similar for prepared or preserved groundnuts, where NIS reveals U.S exports were \$1.56 million in 2021, versus no value shown by BICO, implying that a large share of these goods land in another EU member state first.

In the case of sunflower seeds, BICO reflects \$5.6 million of exports to Romania in 2021, while NIS values U.S. sunflower seed trade to Romania at \$25.3 million in 2021.

BICO accounts for a very small value of chocolate shipped from the United States to Romania in 2021. NIS data reflects that \$253,000 of chocolate was traded to Romania last year.

For food processing ingredients, BICO data shows \$14,000 for extracts and essences, while NIS data reflects almost \$600,000. In case of sauces and preparations, BICO data reflects that \$286,000 were

traded to Romania, while NIS cites that the export was worth \$608,000. Most U.S. sauces and preparations are routed through Germany, the United Kingdom, and the Netherlands. Food preparations not elsewhere specified are mostly protein concentrates and foods containing/non-containing milk fats, sucrose, and starch. According to BICO data, the U.S. trade of these products to Romania in 2021 was \$9.8 million, while NIS data shows \$46.5 million.

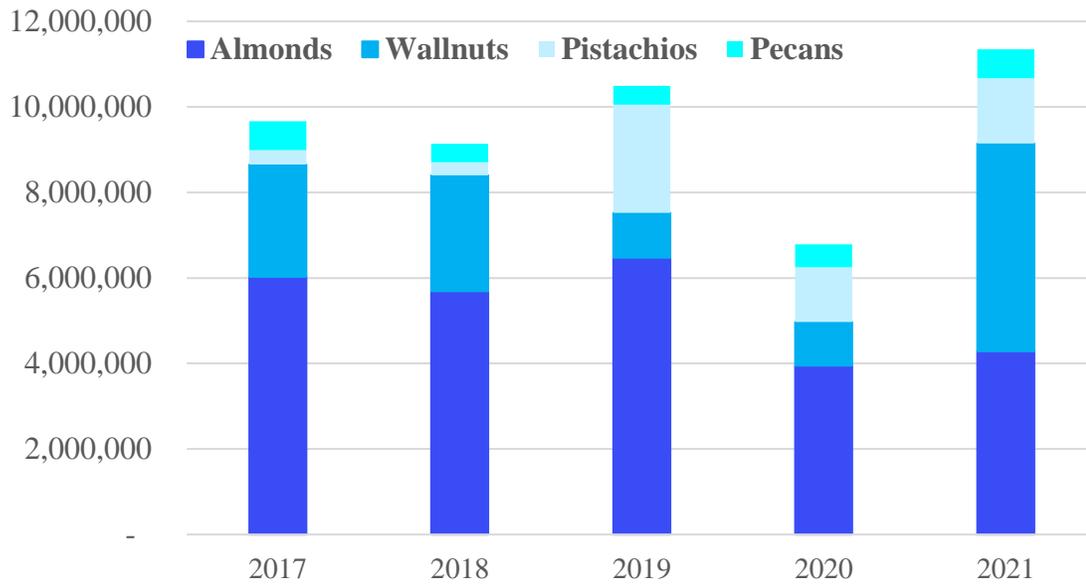
Wine is another category for which most U.S. trade is routed through other EU member states. BICO data indicate the 2021 U.S. wine trade to Romania was valued at \$211,000, while NIS data cited \$807,000 of U.S.-origin wine. Germany was the main point of entry in the EU. In case of distilled spirits (whiskies), BICO data reflects about 55 percent of the U.S. trade, showing U.S. exports at \$7 million as compared to NIS, which shows \$12.6 million.

For tree nuts (fresh or dried), BICO data captured \$1.5 million, while NIS data show \$11.4 million of U.S. tree nut imports, a value which exceeds the pre-pandemic levels. Most U.S. tree nuts, such as almonds and pistachios, are shipped to Romania through Germany and the Netherlands. Table 3 below provides the trade data on the major categories of tree nuts as shown by BICO and NIS.

Table 3. U.S. Tree Nuts Exported to Romania 2017-2021 (\$)

HS Code	Description	Source of data	2017	2018	2019	2020	2021
0802	Other nuts, fresh or dried	BICO	2,190,000	2,070,000	2,496,000	1,825,000	1,503,000
		NIS	9,681,418	9,182,280	10,478,906	6,784,726	11,347,184
0802 11	Almonds, in shell	BICO	-	-	-	-	90,000
		NIS	14,000	577,430	1,159,110	111,606	232,822
0802 12	Almonds, shelled	BICO	2,055,000	1,695,000	1,367,000	1,658,000	1,041,000
		NIS	6,012,132	5,115,471	5,316,545	3,837,814	4,054,814
0802 31	Walnuts, in-shell	BICO	-	-	-	-	232,000
		NIS	120	287,329	-	5,654	1,559,000
0802 32	Walnuts, shelled	BICO	135,000	274,000	-	-	-
		NIS	2,626,279	2,420,600	1,047,569	1,016,629	3,297,000
0802 51	Pistachios, in shell	BICO	-	100,000	1,130,000	167,000	140,000
		NIS	248,000	126,070	2,331,182	1,234,006	660,000
0802 52	Pistachios, shelled	BICO	-	-	-	-	-
		NIS	87,000	179,360	196,190	46,934	866,000
0802 9010	Pecans	BICO	-	-	-	-	-
		NIS	679,000	430,410	436,700	530,533	676,243

Chart 2. U.S. Tree Nuts Exported to Romania (\$)



Source: NIS

Attachments:

No Attachments.