

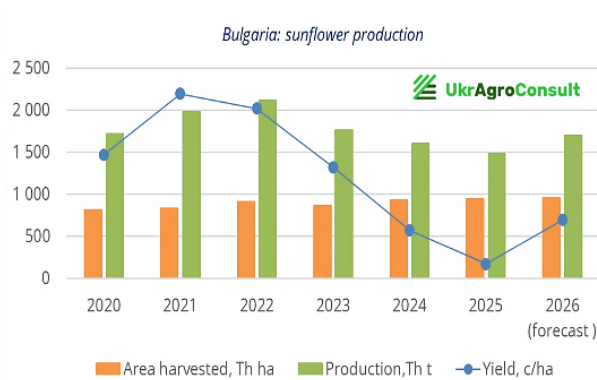
Bulgarian Sunflower Seed Market: Gap Between Import Restrictions and Market Realities Are Increasing

The arrival of Argentine sunflower seeds in Bulgaria complicated the situation in the local market. Farmers are now demanding new measures, including an 'environmental fee' or additional duties on SFS imports from third countries, effectively targeting Argentina.

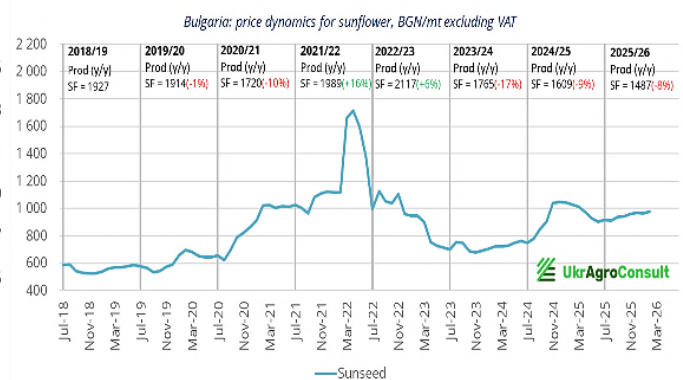
These protectionist decisions may be working against the interests of Bulgarian farmers. Calls for automatic bans when domestic prices fall below certain thresholds, risk creating so-called 'greenhouse conditions' for agriculture. Political pressure, subsidies and import restrictions can replace competitiveness and investment in deeper processing. Such policies weaken incentives for farmers to adapt to global competition from major producers like Ukraine or Argentina.

The current situation is partly based on SFS productions trends. Bulgarian SFS output peaked near 2.0 M mt in 2021–2022, but fell roughly 1.5 M mt in 2025, insufficient to supply the country's crushing capacity.

In the 2024/25 season, processors were forced to purchase SFS at 950-1050 BGN/mt (€485-537), often operating at losses simply to maintain their export positions in Europe. Several mid-sized crushing plants in northern Bulgaria even halted operations for two to three months.



Source: EuroStat, UkrAgroConsult for 2026



Source: Ministry of Agriculture and Food of Bulgaria

Anticipating tighter supply and stronger prices, farmers held back sales of the 2025 crop. So, crushers began looking abroad for alternatives.

With Ukrainian SFS largely unavailable due to licensing restrictions and strong domestic processing, Bulgarian processors turned to Argentina, securing forward contracts as early as Dec 2025. This is a key reality of global agricultural trade: when supply tightens in one region, imports from the opposite hemisphere quickly fill the gap. Similar story is seed in the growing rapeseed imports from Canada and Australia.

Another driver is the growing competitive pressure from Ukraine. Even during four years of the war, Ukrainian SFS production continued under market conditions, often without the subsidies available in the EU. Large-scale operations, precision agriculture, strong hybrid seeds, and integrated logistics allowed Ukrainian SFS to remain highly competitive.

In contrast, Bulgarian farmers operate under stricter EU environmental regulations and rely heavily on CAP support. In 2024/25, subsidies can exceed €200/ha. The guaranteed level of the subsidies is €150-160/ha.

Key risks of 2026/27 season

- Due to Feb excessive rainfall in across the southern regions, farmers are missing optimal windows for early sunflower sowing. Consequently, activity is expected to surge in late March, which may lead to a shortage of available machinery.

- Geopolitical tensions around Iran encourage farmers to stockpile diesel in anticipation of higher fuel prices and leaving less money for investments in higher-quality seed hybrids.
- Rising freight rates and potential vessel shortages could also make SFS imports less attractive later in the season, forcing processors to rely more heavily on domestic SFS supply.

Local SFS suppliers are not so efficient, while global trade continues to remove local import barriers. In the coming 2026/27 season Bulgarian SFS producers may face a far more competition and tough market.

Sunseed	2026/27	2025/26
Beginning stocks	60	51
Area seeded, Th ha	995	970
Area harvested, Th ha	990	950
Yield, MT/ha	1,78	1,70
Production	1762	1615
Imports	500	600
SUPPLY	2323	2266
Crushing	850	700
Other uses	750	850
Seeds	5	6
Exports	600	600
Losses	50	50
DEMAND	2255	2206
Ending stocks	68	60

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