

# Farmers cooperative KEVILI

Estonian cereal market and contracts

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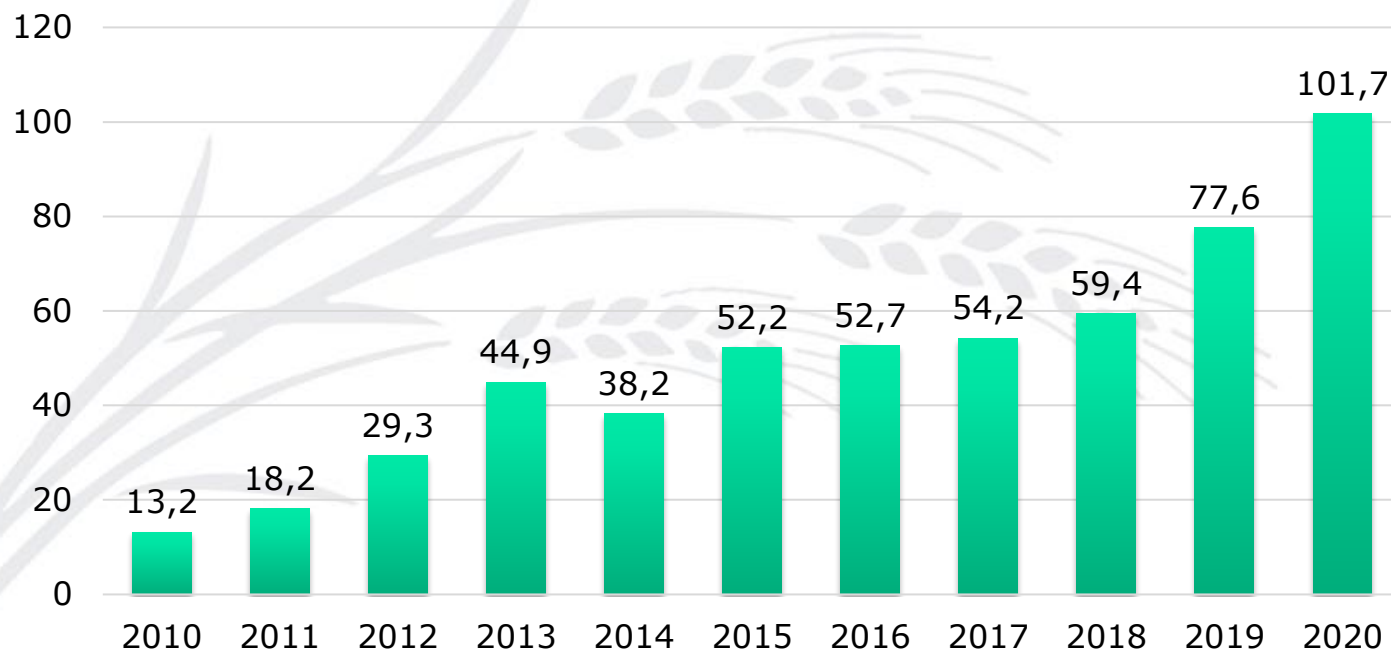
2021

## KEVILI in numbers

- ☞ KEVILI is established 2005
- ☞ Number of members is increasing, as of today we have **152 members**
- ☞ Members using ca 84 000 ha cultivated land
- ☞ 7 members of council and 1 CEO
- ☞ Team, 35 employees

# KEVILI in numbers

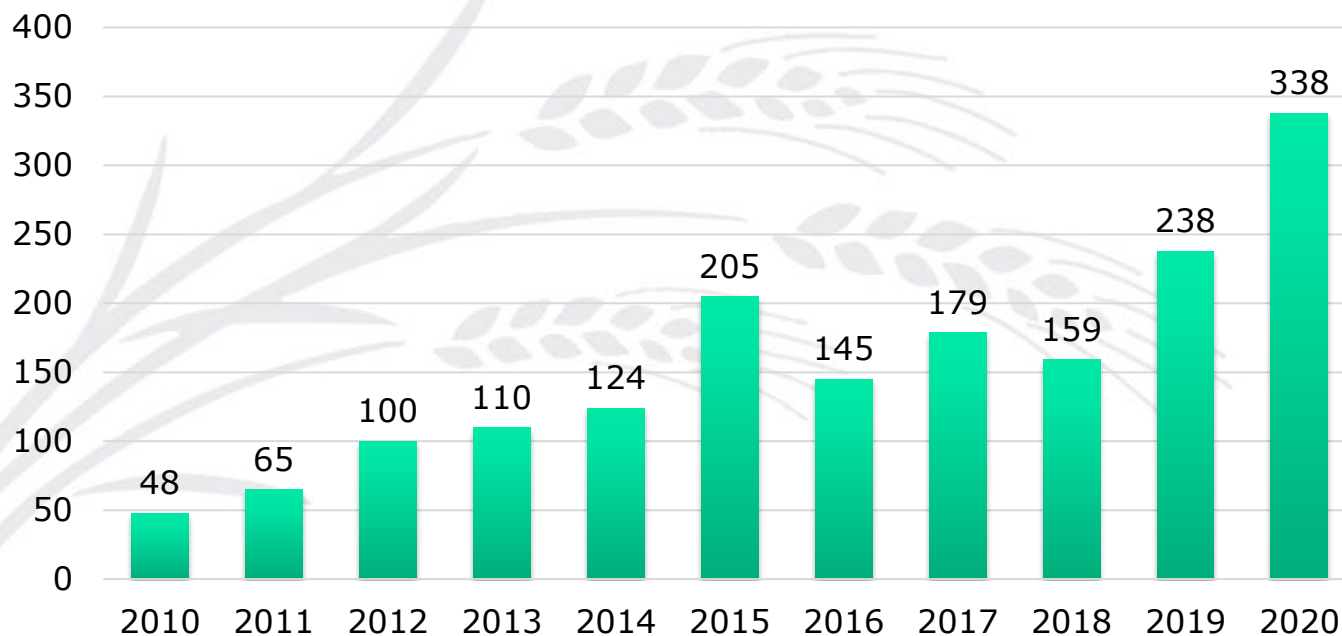
## KEVILI TURNOVER mil. EUR



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# KEVILI in numbers

## KEVILI GRAIN SALES, thousand mt



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# KEVILI's grain business in early days



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## ... and today



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## KEVILI activities

- ☞ KEVILI provides all input products to our members like fertilizers, crop protection, seeds, diesel etc.
- ☞ KEVILI has two inland warehouses where we offer grain drying and sorting services.
- ☞ We offer very high level agricultural advise. Focus is not for selling products but maximizing the profits for farmers.
- ☞ KEVILI organizes lot of training events to our farmers. Farmers can also learn from each other in local events.

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## KEVILI activities



- 👁️ Roodevälja terminal
- 👁️ Currently expanding
- 👁️ 56 500 mt (80 500 mt)
- 👁️ Located North-Estonia



- 👁️ Rõngu terminal
- 👁️ 51 500 mt
- 👁️ Located South –Estonia



## KEVILI activities

- ☞ KEVILI have signed agreements in port of Sillamäe and port of Muuga where we rent warehouses and buy FOBING services.
- ☞ Big vessels are loaded out of Muuga and Sillamäe.
- ☞ Small vessels are also loaded from port of Kunda which is close to our Roodevälja terminal.
- ☞ We export about 80 - 90 % of grain collected.

# KEVILI activities

## PK Terminal in Muuga



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# KEVILI activities

PK Terminal in Muuga



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# KEVILI activities

Silsteve terminal in Sillamäe



*Maa meid toidab*

# KEVILI activities

Silsteve terminal in Sillamäe



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## KEVILI activities

- 👁️ We are focusing to efficiency and flexibility for farmers.  
Meaning fast logistics, online truck tracking, fast payments.
- 👁️ We are using E-waybills, meaning no paper needed from farmers locations until vessel. Everything is visible online.
- 👁️ Well advanced IT systems where all data is online for farmers.  
All contract details (including signing), pricings, invoicing etc.

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## Estonian grain export

- ☞ Estonia is grain exporting country as well as other Baltic countries. Compared to Lithuania our exporting volumes are much smaller. This means sometimes vessels are loaded together.
- ☞ Local demand is small compared to Finland.
- ☞ Prices are coming from FOB price levels.
- ☞ Estonia export volume is 800 000 mt – 1 300 000 mt in normal years.

# Estonian grain export

Export volumes, mt	2015	2016	2017	2018	2019	2020
<b>Wheat</b>	474 293	349 138	531 047	197 564	581 578	709 971
<b>Barley</b>	285 763	274 381	298 838	234 475	362 656	291 141
<b>Rapeseed</b>	39 485	33 692	29 364	27 009	35 800	49 383
<b>Oats</b>	37 965	22 736	46 754	59 688	70 413	75 241
<b>Rye</b>	19 219	12 015	26 329	7 905	50 574	42 804

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## Main destinations for Estonian grain

- ☞ 11 pro/11,5 milling wheat – Algeria, Marocco.
- ☞ 12,5 pro milling wheat – Saudi Arabia.
- ☞ 14 protein on higher – Spain, Turkey.
- ☞ Feed wheat – EU (Netherlands, Spain, Ireland etc.)
- ☞ Feed barley – Saudi Arabia, (last year also Marocco).
- ☞ Rapeseed – EU (Germany, UK, Finland).
- ☞ All other cultures like yellow peas, rye, oats etc. Mainly destination in EU (Netherlands, Germany, Norway etc.).

## Vessel sizes

- ☞ Vessel sizes depends on destination.
- ☞ Saudi Arabia milling wheat and barley are exported usually panamax size vessels. Meaning abt 60 000 mt.
- ☞ Algeria and Marocco are mainly exported with handy size vessels. Meaning abt 30 000 mt.
- ☞ Inside EU some volumes are traded with coaster size vessels between 3000 – 8000 mt and some volumes is traded with handy (30 000 mt) size vessels.

## Contracts

- ☞ Prices are changing daily in markets and therefore we provide prices daily for farmers.
- ☞ Big amount of grain is hedged using Euronext derivatives: Euronext milling wheat and rapeseed futures.
- ☞ Some grain is sold ahead, meaning we already make contracts in winter/spring before harvest outcome.
- ☞ In order to get good price levels we need to sell bigger vessels.

## Contracts

- Some farmers are selling up to 50% or even more before harvest, depending on price levels.
- Most of the export contracts are concluded through well known brokers like Copenhagen Merchants, Skovs Korn, Mostert Oilseeds etc.
- Customers are usually end users or well known international traders like ADM, Bunge, Cargill, Viterra etc.



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