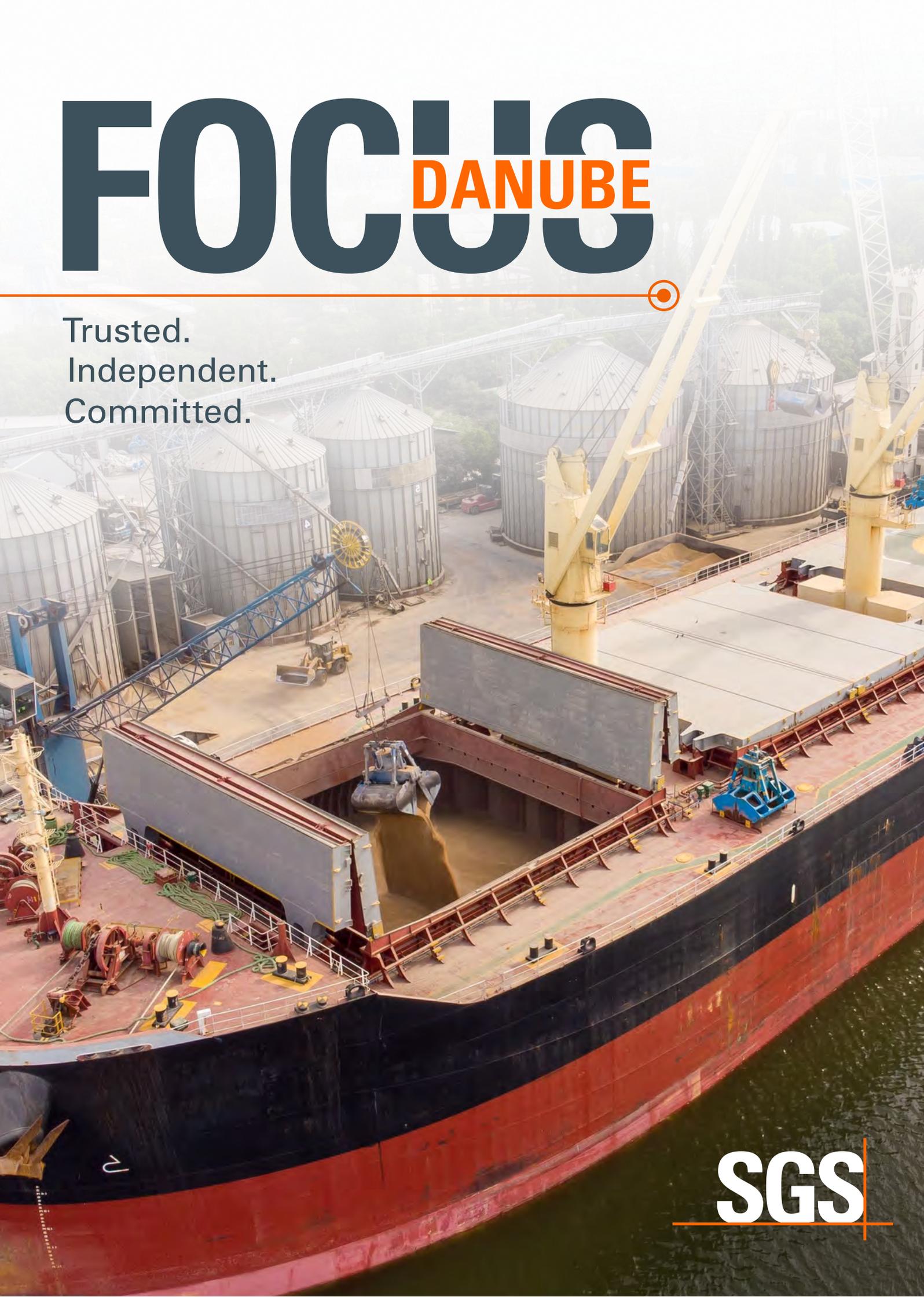


FOCUS

DANUBE

Trusted.
Independent.
Committed.



SGS

Introduction

The latest information on the yields and performance of the Danube region is just becoming available, and despite a dry year in some areas, the data is looking good. This productive region is essential for feeding the surrounding nations, and therefore strict inspection and testing services are required to ensure the delivery of safe and high-quality agricultural commodities to customers.

Our offices and laboratories span the Danube region, with more than 400 employees and 14 offices located across Bulgaria, Hungary, Romania and Serbia. This regional team provides to clients the decades-long experience that we have in delivering the highest-quality solutions, covering all aspects of the supply chain from testing, inspection and fumigation to risk management and market intelligence.

To ensure our standards exceed expectations, we strive to continually improve our services for the best client experience. This season we have invested heavily across the region by expanding and upskilling our workforce, adding to our long list of accreditations and certifications, and modernizing our laboratories.

To find out more about how these investments are increasing our agricultural capabilities in the Danube region, keep on reading.

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Regional services

We offer a wide range of solutions throughout the agricultural commodity supply chain to ensure quality, quantity and safety of your commodities.

Our modern laboratories and experienced specialists across the Danube region will characterize the grade of your commodities as well as their physical, technological, and chemical parameters, in addition to revealing the presence of banned chemicals or contaminants.

Our local inspection teams can guarantee that your valuable goods are stored, loaded and discharged correctly along the supply chain in line with national and international regulations.

Fumigation and pest management will prevent and mitigate contamination from insects and pests.

We provide a range of customizable stock management and guarantee solutions to protect your operations from unexpected challenges. Smart Warehouse, our IoT-based technology, allows real-time monitoring of all your stored commodities.

Audit and certification services will confirm your ongoing compliance to the latest industry best practices, helping you demonstrate your excellent operating standards and sustainability credentials.

Our market intelligence solutions will give you need-to-know insights for effective strategic decision-making.



Testing



Inspection



Fumigation & Pest Management



Risk Management



Audit & Certification



Market Intelligence



Bulgaria



"2022 has been an exciting year for SGS in Bulgaria as we updated our solutions with an online system for inspection services and gained new laboratory accreditations that have allowed us to expand our testing capabilities."

Anelia Andreeva

Business Manager at SGS Bulgaria

Production dips

Crop harvesting continues across Bulgaria as we pass the halfway point of 2022. As such, precise production yields for the season remain outstanding; however, current projections estimate wheat, barley and rapeseed yields to be significantly reduced by up to 17% in comparison to 2021 outputs. With local consumption below that of production volumes, much of the yields are bound for international export. In terms of wheat crop quality, preliminary testing is revealing good protein content but low test weight; however, further testing is required to determine final crop quality across the commodity range.

Expanded accreditation

At SGS, we never rest on our laurels, and 2022 has been no different. This year alone we have increased our GMO and pesticide accreditation scope and improved our testing capacity across a range of commodities, including sugar and tissue testing.

Our ISO/IEC 17025:2017 accredited national laboratory has a wide range of testing capabilities, covering vegetable oil, corn, oilseeds and wheat specifications (incl. amylograph) and testing

of commodities on GMO, mycotoxins, dioxins, microbial and pesticide content.

A significant milestone was reached this year as we have gained an approval from the Ministry of Agriculture of Indonesia for the export of SGS-tested Bulgarian wheat to Indonesia. This agreement, which exclusively allows Bulgarian-origin wheat that is tested in SGS laboratories to be exported to Indonesia, highlights the strength and reputation of testing solutions worldwide.

We continue to develop our critical services within the agricultural sector. We have modernized our inspection services by implementing an online system that enables clients to keep track of product loading in terms of quantities, average express results, supplier deliveries and average results by supplier.

All points covered

SGS expertise is available throughout Bulgaria, including all Bulgarian Black Sea and Danube ports. These locations are essential for ensuring we can deliver our solutions throughout the country and at all sea- or river-based export points.



Hungary



"We have invested in new laboratory equipment and staff training in order to continually provide a world-leading service across our offerings, allowing our clients to trade with confidence."

Julia Csizmadia

Business Manager at SGS Hungary

Market outlook

Production projections are looking quite promising so far within the Hungarian market, with the yields of wheat, barley and sunflower forecast to be greater than those in the previous season.

However, crops of certain commodities including corn, triticale and rapeseed are expected to decrease despite the increase in sowing area, largely due to droughts across one-third of the country that have resulted in below-average harvests.

Crops quality is expected to remain at the similar level as last season due to the environmental conditions. Grains have been low in hectoliter weight and milling quality, although no concerns have been identified regarding toxins.

Investment in equipment and workforce

We keep investing across both our facilities and workforce in Hungary to improve our services in line with technological advances and changes to regulatory guidelines.

Our testing laboratory was upgraded this year with modern gas chromatography- and liquid chromatography-tandem mass spectrometers, increasing our testing sensitivity and ability to detect trace toxins and impurities.

Our investment commitments provide advanced facilities with highly experienced and trained specialists capable of delivering a wide variety of analytical services, including toxins, GMO, pesticide (full screening) and Chlorpyrifos-methyl testing.

The local team of 71 employees has been upskilled on the latest safety practices, office processes and on-site practical training in commodity sampling, and has been kept up to date with the regulatory standards of Gafta, FOSFA and ISO.

As a result, our committed experts in Hungary are ready for the new crop season where they will make full use of their recent training to continue to provide best-in-class testing, inspection and risk management solutions.



Romania



"A busy year as our services are in high demand! To meet this demand, we have expanded our team and partnered with neighboring SGS laboratory in Bulgaria to shorten the turnaround time for our clients."

Ionut Cristian Lepadatu
Business Manager at SGS Romania

Commodity forecast

Barley has been entirely harvested across the country, producing a total yield of 1,7 million metric tons (MMT) with an average production of 4,2 metric tons per hectare (mt/ha). Rapeseed continues to be harvested through the summer and forecasting estimates a total yield of up to 1,3 MMT for rapeseed with acceptable composition. The wheat harvest schedule isn't far behind with an estimated yield of 9 MMT and an average production of 4,3 mt/ha forecast. Harvesting is yet to begin for the late bloomers of sunflower seeds and corn but based on crop size and previous yields they are estimated to produce up to 2,2 MMT and 8,3 MMT of product respectively.

Testing carried out so far at our laboratories has revealed average to better results compared to the last season.

Significant regional expansion

We have increased our workforce by 20% over the past year, owing to the demand for our testing and inspection services in the region. Both new and existing staff undergo training before the latest crop season, ensuring SGS high quality standards are maintained.

We have also confirmed the quality of our services by gaining new accreditations that demonstrate our capabilities. These include accreditations for the testing of fatty acid composition (ISO/IEC 12966-1:2014) and radionuclides Cs-134 and Cs-137 (ISO/IEC 19581:2017), complementing the long list of existing ISO accreditations and Gafta and FOSFA approvals.

Faster turnaround time for clients

The network of SGS facilities around the Danube region enables a collaborative approach for delivering clients a first-class service. Our laboratories in Romania and Bulgaria have combined forces to enable reliable testing regardless of incoming volume of samples. This way, SGS in Romania has been able to shorten the time taken for certificate issuance, helping clients get their products to market quicker.

Our laboratory in Romania offers industry-standard packages for the testing of cereals and oilseeds, including analyzing for contaminants such as heavy metals, pesticides and mycotoxins.



Serbia



"It's been an exciting year, with new management joining the Serbian team. We've focused on sustainability and are starting to see clients becoming more committed to taking a sustainable approach."

Andrijana Radic

Executive Manager at SGS Serbia

Variable weather impact

The arid conditions across parts of the country have had a varying impact on this season's crop harvest. The weather conditions have favored wheat, leading to good quality parameters and an expected yield of 3,3 MMT. High temperature and lack of rain, however, negatively impacted maize crops, with production forecast less than 7 MMT while soybean overall yield is expected to be about 0,7 MMT.

New management and upskilling

We are delighted to announce that Jovan Ševo has joined SGS Serbia as the agri operations manager. Jovan has more than 12 years of experience within both inspector and auditor roles and will provide invaluable management and direction for future operations.

Additionally, all our employees have been part of a training program throughout the year to ensure up-to-date knowledge across operations. From the back-office staff to the inspection and laboratory activities, every member of our team is upskilling on the latest industry requirements and international regulations.

Towards a sustainable future

Sustainability is a major focus of our operations in Serbia and as such we encourage clients to take a sustainable approach to their supply chains. Our qualified auditors can certify clients with ISCC EU (International Sustainability and Carbon Certification) recognition. We always strive to do better, and we are currently in the process of being able to deliver the ISCC Plus certificate to clients, which extends scope to food, feed, technical/chemical and other bioenergy applications.

Highest standards of excellence

To safeguard our status as leading provider of testing and inspection services, we make sure that we follow industry wide best practices. Our testing laboratory in Serbia is accredited by leading regulatory bodies including Gafta, FOSFA and ISO/IEC 17025, therefore meeting international laboratory standards. We maintained our Gafta and FOSFA Approved Superintendent status, which confirms our ongoing commitment to deliver a high-quality service for our customers.

Meet the team

Bulgaria



ANELIA ANDREEVA

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Hungary



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Laboratory Manager

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Our operations in the Danube region

Global businesses need the support of global partners. Whatever the commodity, wherever the location, our trusted professionals will be with you every step of the way.

Bulgaria

-  Wheat, barley, rapeseeds, corn, sunflower seeds, vegetable oil
-  Algeria, China, Cyprus, Egypt, Israel, Italy, the Netherlands, Spain, Tunisia
-  30+ years
-  110 experts
-  15,800 tests
-  4,3 MMT

Hungary

-  Wheat, barley, rapeseeds, corn, sunflower seeds
-  Austria, Bosnia, Bulgaria, Germany, Italy, Romania, Spain, Turkey
-  30+ years
-  71 experts
-  15,100 tests
-  4,1 MMT

Romania

-  Wheat, barley, rapeseeds, corn, sunflower seeds
-  Algeria, Egypt, Iran, Israel, Jordan, the Netherlands, Spain, Turkey
-  90+ years
-  196 experts
-  31,700 tests
-  4,1 MMT

Serbia

-  Wheat, soyabean, corn, rapeseeds, sunflower seeds
-  Bulgaria, Germany, Hungary, Romania
-  20+ years
-  45 experts
-  15,000 tests
-  1,4 MMT

Legend:

 Main commodities exported (2021-22 season)

 Main export destinations (2021-22 season)

 SGS years in business

 Number of full time employees

 Number of tests performed by SGS (2021-22 season)

 Volume of agri commodities inspected by SGS excluding inland inspections (2021-22 season)

Our unrivaled regional team

Our Danube team boasts world-class expertise, combining in-depth local knowledge with the latest worldwide industry best practices and technologies. Our highly experienced specialists across Bulgaria, Hungary, Romania and Serbia ensure agricultural commodities in the region are inspected, tested, stored and shipped in line with industry standards and your contractual requirements. With our extensive network of offices and state-of-the-art laboratories throughout the region, no area is left uncatered for.



Our regional team
400+
 Full time employees

Supported by
4
 Main laboratories

Operating from
14
 Offices

Gafta
FOSFA
 Members

By your side at all times

The global agricultural commodities supply chain presents opportunities and challenges. While you can easily access a huge range of markets and commodities, you also have to ensure that your goods meet the necessary quality and quantity parameters to fulfill your contractual obligations and meet both local and international standards and regulations.

By utilizing our vast network of offices and state-of-the-art laboratories, you'll be able to work with trusted, independent and committed local experts at all times. They will be in the field, inspecting and testing your commodities to confirm that they are up to quality and quantity standards, ensuring that operational procedures are followed, and helping you identify and manage trade risks.

Time to get started. Contact us today and take the first step towards creating an easier, more effective approach to agricultural trading.



Trusted. Independent. Committed.

Contact Us

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www.sgs.com/grains

www.sgs.com/nr-linkedin



WHEN YOU NEED TO BE SURE

SGS