



Voluntary Report – Voluntary - Public Distribution **Date:** September 16, 2022

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Report Name: Kazakhstan Suspends Restrictions on Wheat and Wheat Flour

Exports

Country: Kazakhstan - Republic of

Post: Nur-Sultan (Astana)

Report Category: Policy and Program Announcements, Grain and Feed, Agricultural Situation

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Report Highlights:

On September 13, Kazakhstan announced the end of wheat and wheat flour export restrictions that had been in effect since April 14, 2022. Since the restrictions went into effect, Kazakhstani exporters utilized 83 percent of the wheat and 66 percent of the wheat flour export quotas. Initial reports of a good fall grain harvest helped the government decide to end the export restrictions. According to official Ministry press releases, as of September 13, almost 70 percent of Kazakhstan's grain crops have been harvested with yields so far estimated to be at least 30 percent higher than last year.



Order Suspends Wheat and Wheat Flour Export Restrictions

On September 13, the Ministry of Agriculture order formally suspended wheat and wheat flour export restrictions effective immediately. This order suspended the previous decree of July 5, 2022, which extended export quotas from June 15 to September 30, 2022. The government's text of this order is <u>available in the Russian and Kazakh languages</u>. An unofficial English translation of the order is provided below.

Background

On April 14, 2022, the Ministry of Agriculture approved wheat and wheat flour export restrictions, valid until June 15, 2022. During these two months, the government allowed the export of up to 1.0 million metric tons (MMT) of wheat and 300,000 metric tons (MT) of wheat flour. On June 15, Kazakhstan announced the extension of wheat and wheat flour exports until September 30, and increased the exportable amounts to 1,550,000 MT of wheat and 670,000 MT of wheat flour (also see associated GAIN report). The Ministry of Agriculture noted that these trade restrictions were meant to balance wheat and wheat flour exports with domestic food security needs. The government's original decree and related documents in Russian and Kazakh languages may be accessed here. For an English translation of the decree and additional comment, refer to the FAS GAIN report "Kazakhstan Announces Wheat and Wheat Flour Export Restrictions until June 15."

In early September 2022, Kazakhstani agricultural media announced the government had begun internal discussions to lift the wheat and wheat flour export restrictions. The <u>Grain Union of Kazakhstan reported</u> that as of September 10, 2022, 83 percent of the wheat and 66 percent of the wheat flour export restriction quotas had been used.

FAS-Nur-Sultan Comment

According to Ministry of Agriculture press releases and <u>private media outlets</u>, the government estimated that 70 percent of planted grain crops had been harvested as of September 13 with average yields at least 30 percent higher than last year. While Kazakhstan experienced unusually hot and dry conditions last growing year, weather and precipitation levels in major grain producing areas have generally been more favorable this year. <u>The Ministry of Agriculture estimates wheat production</u> in marketing year 2022/2023 at 13 MMT with domestic consumption at 6.5 MMT. The average yields are reported at 1.2 tons per hectare.

Russian grain production, and trade to Kazakhstan, continues to affect the Kazakhstani market. On June 30, 2022, Russian <u>export restrictions of wheat, rye, barley, and corn</u> to Eurasian Economic Union (EAEU) members (which includes Kazakhstan) expired. According to <u>media sources</u> and FAS-Nur-Sultan contacts, Kazakhstani grain exporters have voiced concerns over Russian grain exports to Kazakhstan, some of which are entering the country without being properly reported.

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Since Russia's ban on grain exports to EAEU members ended on June 30, the domestic price of Kazakhstani wheat has fallen to approximately \$223 (105,000 tenge) per MT. The Kazakhstani government's Food Contracting Corporation plans to announce its procurement prices on or about September 15, 2022. Kazakhstani grain exporters reported that lower priced Russian grain is now available in Central Asia, Afghanistan, and Iran.

[BEGIN UNOFFICIAL TRANSLATION]

On the suspension of the order of the Acting Minister of Agriculture of the Republic of Kazakhstan dated July 5, 2022 No 215 "On certain issues of the exports of certain goods from the territory of the Republic of Kazakhstan"

In accordance with paragraph 1 of the Article 46 of the Law of the Republic of Kazakhstan "On Legal Acts", **ORDER**:

- 1. Suspend the order of the Acting Minister of Agriculture of the Republic of Kazakhstan dated July 5, 2022, No 215 "On certain issues of the exports of certain goods from the territory pf the Republic of Kazakhstan" (registered in the Register of State Registration of Regulatory Legal Acts No 28713) until September 30, 2022.
- 2. The Department of Agro-Food Markets and Processing of the Ministry of Agriculture of the Republic of Kazakhstan, in the manner prescribed by law, shall provide:
 - a) State registration of this order at the Ministry of Justice of the Republic of Kazakhstan.
 - b) Placement of this order on the web resource of the Ministry of Agriculture of the Republic of Kazakhstan.
- 3. To impose control over the execution of this order on the supervising Deputy Minister of Agriculture of the Republic of Kazakhstan.
- 4. This order comes into force from the date of its first official publication.

Minister of Agriculture of the Republic of Kazakhstan

E. Karashukeev

"AGREED" Ministry of Finance Republic of Kazakhstan

"AGREED" Ministry of Trade and Integration

Republic of Kazakhstan

"AGREED" Ministry of National Economy Republic of Kazakhstan

[END OF UNOFFICIAL TRANSLATION]

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Attachments:

No Attachments.