



THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY

Voluntary Public

Date: 7/12/2016

GAIN Report Number: UP1613

Ukraine

Post: Kiev

MoU on Grain Exports for MY2016-17 Signed

Report Categories:

Grain and Feed

Approved By:

Dwight Wilder, Agricultural Attaché

Prepared By:

Denys Sobolev, Agricultural Specialist

Report Highlights:

The Minister of Agricultural Policy and Food of Ukraine and representatives of non-governmental organizations signed a non-binding Memorandum of Understanding (MoU) on grain exports for marketing year 2016/17. This is the fifth year that the MoU has been signed.

Executive Summary:

On July 12, 2016, the Minister of Agricultural Policy and Food of Ukraine (MAPF) and representatives of a number of private sector organizations representing interests of the farming community, grain traders and milling industry have signed a non-binding Memorandum of Understanding (MoU) for 2016/17 Marketing Year (MY) for grain exports.

Post Comment: *The MoU is non-binding document that identifies the exportable volumes for major grains that are considered crucial to national food security by the Ministry of Agricultural Policy and Food of Ukraine (MAPF). The MoU dates back to year 2011 and initially was designed as an instrument of balancing public and private interests, and served as a viable alternative to the purely administrative instruments (i.e. export ban or quotas) applied in earlier years by the MAPF to ensure a sustainable grain balance inside the country.*

It should be noted that MoU expires on July 1, 2017, thus MY2016/17 for MoU covers July 2016- June 2017 for all grains including corn.

According to the officially available MoU text ([in Ukrainian](#)), it is almost identical to the version signed in 2015. However the new MoU does not yet contain the specific export volumes. Instead it states that these would be negotiated separately before September 15, 2016.

Based on the comparison of the exportable amounts in MoU for MY2015/16 against the actual export numbers (below), the conclusion could be made that last year's MoU had no actual limiting effect for grain exports.

FAS Kyiv comparison of exportable amounts MoU for MY2015/16 vs actual exports for the same MY (July 2015- June 2016) reported by MAPF:

- *Wheat And Meslin (HS Code: 1001) – 16.6 million of metric tons (MMT) / actual exports – 17.3 MMT;*
 - *Barley (HS Code 1004) – 3.9 MMT / actual exports – 4.4 MMT;*
 - *Corn (HS Code 1005) – 16 MMT / actual exports – 17.4 MMT.*
-