

Voluntary Report – Voluntary - Public Distribution

Date: February 05,2021

Report Number: UP2021-0006

Report Name: Ukraine Establishes an Export Cap on Corn

Country: Ukraine

Post: Kyiv

Report Category: Grain and Feed

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Report Highlights:

Ukraine established a 24 million metric ton (MMT) export cap for corn for the marketing year (MY)2020/21.

According to information available to Post, the Ministry of Economic Development Trade and Agriculture (MEDTA) and a number of NGOs representing interests of both Ukrainian and international businesses signed the Addendum to the Memorandum of Understanding (MOU) on January 3, 2021.

The MOU Addendum sets a 24 MMT export threshold for corn exports for the local MY2020/21. *Post's note: the Ukrainian MY for all grains (including coarse grains) is set as July-June. There is a high probability that remaining corn stocks could be freely exported during the period July to September before the conclusion of the standardized MY2020/21 (October-September).* Please refer to our [GAIN Report UP2020-0036](#) for more information about the MOU.

The recent signing of the MOU Addendum concludes the establishment of export caps across all major grains (except for barley). In August 2020, MEDTA announced ([in Ukrainian](#)) MY2020/21 exportable volumes for wheat – 17.5 MMT and rye – 1 thousand MT.

According to publicly available information, four national NGOs representing animal (poultry, pig, and cattle producers) and feed producers initiated a lobbying campaign requesting that the Government of Ukraine (GOU) introduce export limits for corn ([in Ukrainian](#)). Their major concern was increasing feed grain prices that would have a direct impact on the profitability of their businesses.

Based on the corn exportable volume reflected in the MOU Addendum, FAS Kyiv has revised PSD (Production Supply and Distribution) tables for wheat, barley and corn compared to the ones included in our previous [GAIN Report UP2021-0003](#).

FAS Kyiv anticipates that the export cap may result in a reshuffling of the feed consumption structure. Corn will substitute both wheat and barley in animal rations, please refer to the updated Estimated Feed Consumption table below for more details.

Estimated Feed Consumption

	MY2018/2019	MY2019/2020	MY2020/2021
Barley	2,900	3,400	2,600
Corn	5,000	5,100	6,400
Rye	2	2	2
Wheat	3,400	2,200	1,200
Total	11,302	10,702	10,202

Source: FAS-Kyiv Estimates

Clamping down on corn exports, would allow higher MY2020/21 wheat and barley exports compared to Post's previous estimates. The adjusted MY2020/21 estimates include:

- MY Exports: barley – 4.2 MMT, corn – 24 MMT and wheat – 17.5 MMT;
- Feed and Residual: barley – 2.6 MMT, corn – 6.4 MMT and wheat – 1.2 MMT.

USDA Official and FAS-Kyiv Forecast Production Supply and Distribution Statistics

Barley Market Year Begins	2018/2019		2019/2020		2020/2021	
	Jul 2018		Jul 2019		Jul 2020	
Ukraine	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	2569	2496	2782	2605	2600	2591
Beginning Stocks (1000 MT)	1149	1149	1010	1009	1054	885
Production (1000 MT)	7604	7604	9528	9459	8000	7836
MY Imports (1000 MT)	18	16	0	1	5	7
TY Imports (1000 MT)	11	11	0	0	5	7
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	8771	8769	10538	10469	9059	8728
MY Exports (1000 MT)	3561	3560	4984	4984	4200	4200
TY Exports (1000 MT)	4407	4406	4990	4990	4200	4200
Feed and Residual (1000 MT)	2900	2900	3100	3400	2700	2600
FSI Consumption (1000 MT)	1300	1300	1400	1200	1300	1200
Total Consumption (1000 MT)	4200	4200	4500	4600	4000	3800
Ending Stocks (1000 MT)	1010	1009	1054	885	859	728
Total Distribution (1000 MT)	8771	8769	10538	10469	9059	8728
Yield (MT/HA)	2.9599	3.0465	3.4249	3.6311	3.0769	3.0243

(1000 HA) ,(1000 MT) ,(MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Barley begins in October for all countries.TY 2020/2021 = October 2020 - September 2021

Corn Market Year Begins	2018/2019		2019/2020		2020/2021	
	Oct 2018		Oct 2019		Oct 2020	
Ukraine	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	4567	4565	4991	5005	5400	5351
Beginning Stocks (1000 MT)	1567	1567	891	886	1478	1541
Production (1000 MT)	35805	35805	35887	35855	29500	30936
MY Imports (1000 MT)	40	35	29	29	15	30
TY Imports (1000 MT)	40	35	29	29	15	30
TY Imp. from U.S. (1000 MT)	0	1	1	1	0	1
Total Supply (1000 MT)	37412	37407	36807	36770	30993	32507
MY Exports (1000 MT)	30321	30321	28929	28929	24000	24000
TY Exports (1000 MT)	30321	30321	28929	28929	24000	24000
Feed and Residual (1000 MT)	5000	5000	5200	5100	4900	6400
FSI Consumption (1000 MT)	1200	1200	1200	1200	1200	1200
Total Consumption (1000 MT)	6200	6200	6400	6300	6100	7600
Ending Stocks (1000 MT)	891	886	1478	1541	893	907
Total Distribution (1000 MT)	37412	37407	36807	36770	30993	32507
Yield (MT/HA)	7.8399	7.8434	7.1903	7.1638	5.463	5.7813

(1000 HA) ,(1000 MT) ,(MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Corn begins in October for all countries. TY 2020/2021 = October 2020 - September 2021

Wheat Market Year Begins	2018/2019		2019/2020		2020/2021	
	Jul 2018		Jul 2019		Jul 2020	
Ukraine	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	6718	6884	7020	6808	6800	6852
Beginning Stocks (1000 MT)	1238	1238	1590	748	1148	658
Production (1000 MT)	25057	25057	29171	29144	25500	24867
MY Imports (1000 MT)	114	72	100	79	75	75
TY Imports (1000 MT)	114	72	100	82	75	75
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	26409	26367	30861	29971	26723	25600
MY Exports (1000 MT)	16019	16019	21013	21013	17500	17500
TY Exports (1000 MT)	16019	16019	21013	20992	17500	17500
Feed and Residual (1000 MT)	2500	3400	2500	2200	2000	1200
FSI Consumption (1000 MT)	6300	6200	6200	6100	6100	6200
Total Consumption (1000 MT)	8800	9600	8700	8300	8100	7400
Ending Stocks (1000 MT)	1590	748	1148	658	1123	700
Total Distribution (1000 MT)	26409	26367	30861	29971	26723	25600
Yield (MT/HA)	3.7298	3.6399	4.1554	4.2808	3.75	3.6292

(1000 HA) ,(1000 MT) ,(MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Wheat begins in July for all countries.TY 2020/2021 = July 2020 - June 2021

Attachments:

No Attachments.