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PERSPECTIVES OF INTERNATIONAL TRADE AND COOPERATION WITH THE REPUBLIC OF KAZAKHSTAN



MINISTRY OF AGRICULTURE
OF THE CZECH REPUBLIC



BRIEF CHARACTERISTIC OF THE COUNTRY



- Area: 2 725 000 sq.km.
- Population: 18,5 mil.
- Gross domestic product: 52 trillion KZT (2017)
- thereof agriculture: 2,34 trillion KZT (4.5%)
- Inflation rate: 7.1 % (2017)
- Currency + exchange rate: **Kazakhstani Tenge (₸)**
1 KZT = 0,063 CZK
1 KZT = 0,0024 EUR
- Agri and food production in: 4,01 trillion KZT (2017)
- Labor force - by occupation: 20% (approx. 1,8 mln.)

IMPORT AND EXPORT – COMMODITIES AND PARTNERS

MAIN IMPORT AGRICULTURAL COMMODITIES ARE:

- LIVE ANIMALS AND ANIMAL PRODUCTS (MEAT AND MEAT PRODUCTS, MILK AND DAIRY PRODUCTS);
- BEVERAGES AND TOBACCO;
- PLANT PRODUCTS,
- SUGAR AND SUGAR CONFECTIONERY

THEREBY THE SHARE OF AGRICULTURE IN KAZAKHSTANI'S IMPORT IS SOME 22%. IMPORT PARTNERS ARE: USA, RUSSIA, EU, UKRAINE, KYRGYZSTAN.

KAZAKHSTAN HAS AN EXPORT-ORIENTED ECONOMY, HIGHLY DEPENDENT ON SHIPMENTS OF OIL AND RELATED PRODUCTS.

MAIN AGRICULTURAL GOODS FOR EXPORT ARE:

- WHEAT — 27,6% ,
- FLOUR 19,4%,
- FLAX AND SUNFLOWER SEEDS – 10%
- BARLEY — 5,2%,
- FIBER COTTON — 4,3%,

THEREBY THE SHARE OF AGRICULTURE IN KAZAKHSTANI'S EXPORT IS SOME 18%. MAIN EXPORT MARKETS ARE: UZBEKISTAN, AFGHANISTAN, RUSSIAN FEDERATION, TAJIKISTAN, IRAN AND KYRGYZSTAN.



TRADE COOPERATION WITH THE CZECH REPUBLIC

● **EXPORT.** Main export positions to Kazakhstan are:

- Sugar and sugar confectionery;
- Oil seeds and oleaginous fruits;
- Products of the milling industry (malt, starches, inulin and wheat gluten)
- Beverages, spirits and vinegar.

● **IMPORT.** Main import positions to Czech Republic are:

- Linseed, sunflower seeds, oil seeds;
- Fish and crustaceans;
- Cotton.

● EXPORT OPPORTUNITIES TO KAZAKHSTAN

Most perspective commodities for export from Czechia to Kazakhstan are:

- Pedigree cattle (especially, Holstein and Simmental breeds);
- Farm technology equipment;
- Agricultural machinery (including small machinery);
- Equipment for processing of agricultural products (brewing, milling, bakery, dairy and meat products production)
- Alcoholic and non-alcoholic beverages.



STATE SUBSIDIES IN AGRI AND FOOD INDUSTRY IN KAZAKHSTAN

FINANCIAL SUPPORT IS A FOUNDATION STONE OF THE STATE PROGRAM FOR THE DEVELOPMENT OF AGRO -INDUSTRIAL COMPLEX FOR 2017-2021 YR.

THERE ARE SOME 50 KINDS OF SUBSIDIES AVAILABLE MAKING A BUDGET OF 224 BLN.TENGE FOR THE CURRENT YEAR.

MAIN SUBSIDIZED SECTORS ARE:

- CATTLE BREEDING;
- POULTRY FARMING;
- IRRIGATED AGRICULTURE.



TRADE BARRIERS IN KAZAKHSTAN

- HISTORICALLY ESTABLISHED TRADE RELATIONS WITH AGRICULTURAL COMPANIES FROM EU;
- ABSENCE OF CLEAR STRATEGY OF THE NEW MARKET ENTRY. COMPANIES ARE TRYING TO AVOID ANY COST RELATED MARKETING ACTIVITIES;
- RELATIVELY LOW KNOWLEDGE OF THE CZECH AGRICULTURAL ACHIEVEMENTS BY THE KAZAKHSTANI FARMERS;
- GEOGRAPHICAL REMOTENESS OF THE REPUBLIC OF KAZAKHSTAN FROM THE CZECH REPUBLIC (LOGISTIC EXPENSES);
- ABSENCE OF LOCAL REPRESENTATIVE OFFICES OF THE CZECH COMPANIES;
- LOW EXHIBITION ACTIVITY;



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THANK YOU!

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