

Winter Grain Sowing Drags On

By [The Moscow Times](#)

August 29, 2010



Wheat seen during a sunset at the Alibi-Ishim farm, located 500 kilometers northwest of Astana, Kazakhstan. **Shamil Zhumatov**

Prime Minister Vladimir Putin said Friday that Russia was not short of grain after the worst drought in half a century cut yields, and that there was no reason for an increase in domestic grain prices.

The country has reserves of 9.5 million metric tons of grain, including 3 million tons of feed grain, Putin told Russian news agencies while driving on the Amur highway in the Khabarovsk region. Russian companies have a carry-over of 21 million tons of grain in the country, Putin said, Interfax reported.

"Formally, there's still the potential for exports," he said. "But I made the decision to halt grain exports because we don't know what will happen with the winter crops next year, or how the 2011 harvest will be."

Drought-hit Russia has sown winter grains on only half the area it had planted a year ago,

official data showed Friday.

Farmers had sown 484,900 hectares with winter grains as of Thursday, 479,800 hectares less than a year ago, the Agriculture Ministry said in a statement Friday. It said an optimum period for the winter grain sowing started Aug. 15 in the Central and Volga federal districts, where the sowing lagged behind last year's because of soil aridity.

Agriculture Minister Yelena Skrynnik has said farmers will have to increase spring grain planting areas by some 30 percent to make up losses on areas unlikely to be sown to winter grains because of a lack of soil moisture.

But analysts said winter grain losses could only partially be compensated by an increase in the sown area, and grain planted in spring tends to be lower yielding than winter grain.

Earlier this month, the country's chief weather forecaster said mass winter grain sowing in European Russia, hit by a severe drought, was unlikely at least until Sept. 10, although rain in some regions had brought some relief.

Russia had harvested 41.9 million tons of grain by bunker weight by Thursday, the Agriculture Ministry statement said. It did not provide a comparison.

On Wednesday, the ministry said the country had harvested 41.5 million tons of grain by that day, which was 31 percent less than at the same date a year ago.

Skrynnik said earlier Friday that the country had bigger grain carry-over stocks than previously estimated and could avoid grain imports, although analysts doubted this.

The State Statistics Service "has revised at our request the data on the stocks carried over from last year," Skrynnik said in an interview to state newspaper Rossiiskaya Gazeta.

"Taking into account what is stockpiled at backyard farms, [the country had] 25.8 million tons as of June 1," she said.

Carry-over stocks are normally calculated at the end and at the beginning of every crop year, which starts July 1 and ends June 30 of the next calendar year. It was not clear why Skrynnik referred to June 1 data.

Previously, the statistics service said the country's carry-over stocks were 21.7 million tons by July 1 this year, while the ministry insisted that the data did not take into account small farms and the stocks in fact were equal to 24 million tons.

Agricultural research group SovEcon said Thursday that it estimated the country's carry-over stocks at 20.2 million tons as of July 1.

Losses for Russian farmers may quadruple to as much as 160 billion rubles (\$5.2 billion) from a government estimate of 40 billion rubles in July, Kommersant reported Friday, citing its own calculations based on information from an Agriculture Ministry meeting the day before.

Domestic demand is expected at about 77 million to 78 million tons, said Skrynnik, adding that an optimistic forecast calls for a harvest of 65 million to 67 million tons this year.

"For now, we are following the optimistic scenario," Skrynnik told Rossiiskaya Gazeta.

She added that under a pessimistic scenario, the crop would be 60 million tons, which is in line with analysts' estimates, under which the former world No. 3 wheat exporter could need to import up to 6 million tons of grain.

The harvest is expected to fall this year after bumper crops of 97 million tons in 2009 and 108 million tons in 2008, after the drought destroyed crops in some key grain growing regions and lowered yields in others.

(Reuters, Bloomberg, MT)

Original url: <https://www.themoscowtimes.com/2010/08/29/winter-grain-sowing-drags-on-a971>