

State Mulls End of Grain Export Ban

By The Moscow Times

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The government is considering letting a ban on grain exports expire as scheduled July 1 because of forecasts for a surging harvest, according to two people with direct knowledge of the discussions.

The ban started in August after Russia's worst drought in a half century ruined crops. It was extended in October, and First Deputy Prime Minister Viktor Zubkov said March 2 that it might last through the end of 2011. No formal decision was made at the recent talks, according to the people, who declined to be identified because the information isn't public. Agriculture Ministry spokesman Oleg Aksyonov declined to comment.

Russia may harvest as much as 90 million metric tons of grain this year, according to ProZerno, a Moscow-based researcher. The national crop fell 37 percent to 60.9 million tons last year, government figures show.

Agriculture Minister Yelena Skrynnik said April 28 that the government would discuss the ban after spring sowing.

Grain traders are preparing for a restart of exports, and wheat purchases for storage began accelerating about a month ago, according to SovEcon, an agricultural researcher. Grain reserves of 14 million tons, half of them held in a state-run fund, are big enough to make lifting the ban possible, SovEcon managing director Andrei Sizov Jr. said May 20.

The state will probably allow the ban to expire July 1, Interfax reported Monday, citing an unidentified government official.

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