

Export Grain to Go to Established Buyers First

By The Moscow Times

June 02, 2011



Russia will supply grains to the customers it lost before seeking new buyers when the grain export ban ends next month, said Pavel Skurikhin, president of Russia's Grain Producers' Union.

The country will benefit from increased output as drought in Europe boosts demand from new buyers, Skurikhin said in an interview on May 31 in Moscow. Established customers in Egypt, Tunisia, Jordan and Yemen were "seriously" affected by Russia's absence from exports since the ban in August, he said.

"It is best we come back to these markets before we start moving toward new markets," Skurikhin said.

Russia's absence from the global grain market contributed to wheat prices climbing 72 percent in the past year. Food prices rose to a record in February, according to the United

Nations, helping spur protests and riots across North Africa and the Middle East and toppling leaders in Egypt and Tunisia.

Exports were banned after the worst drought in 50 years curbed production. Prime Minister Vladimir Putin ended the ban as of July 1 on improved crop prospects.

Saudi Arabia is considered a possible new market because it might need feed grain from Russia, Skurikhin said. The Grain Producers' Union represents about 3,000 Russian farms.

Russia is ready to ship stockpiled grain from the southern Black Sea ports when exports resume on July 1, Skurikhin said. It takes one day to deliver grain from the Krasnodar region, where 3.5 million tons of wheat is stored, to ports, he said.

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