

Sugar Trader Links With Former Leader of Kalmykia

By [The Moscow Times](#)

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Businessman and ex-head of the Kalmykia republic Kirsan Ilyumzhinov

One of the world's biggest sugar traders, France's Sucres & Denrees, is considering selling a stake to former regional president Kirsan Ilyumzhinov amid an uphill battle in local courts.

"We are looking for support to be more in line with the Russian way of doing business," said Etienne Pelletier, the trader's Russia chief. "It's a surprise we are being pushed sideways after so many years in Russia."

The trader, known as Sucden, is fighting a lawsuit from Cyprus-registered Endorsia that seeks compensation for Sucden's use of equipment, arguing that he purchase of the machines in 2006 was illegal.

In Russia since 1994, Sucden supplies sugar to such food and beverage giants as Coca-Cola, PepsiCo, Nestle, Kraft Foods, Danone and Heineken.

If Ilyumzhinov proves helpful in winning the court case, Sucden is willing to take him on as a shareholder, Pelletier said.

"We hope he will be efficient enough," he said in a phone interview.

Sucden is aiming to decide before September when its three plants will have to start processing the new harvest of sugar beets, he said. If the company suffers a courtroom defeat, one option is to pull out of Russia, he said.

Ilyumzhinov, president of Kalmykia until the end of 2010, said his shareholding in Sucden was a done deal, Vedomosti reported online Wednesday. Ilyumzhinov declined to name the size of the stake and purchase price.

The trader is taking its legal drama to the Supreme Arbitration Court, to appeal a decision to pay 2.2 billion rubles (\$67 million) for running the disputed equipment at the country's largest sugar plant.

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