

Russia Urges Discussion on Providing Wheat Aid to Egypt

By The Moscow Times

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A spider web growing between ears of wheat in a field outside Stavropol. Eduard Korniyenko

ABU DHABI — Russia's Agriculture Ministry offered to hold discussions on possible humanitarian deliveries of wheat to Egypt, a reversal of policy that Egyptian officials and traders interpreted as a sign of political support.

Egypt, the world's biggest wheat importer, has less than two months' supply of imported wheat left in its stocks, ousted President Mohamed Morsi's minister of supplies said last week.

"We need to discuss questions related to humanitarian aid deliveries to Egypt with the world community ... There have been no requests [from Egypt] yet," Deputy Agriculture Minister Ilya Shestakov told a news briefing in Moscow on Monday.

Shestakov's remark appeared to be a reversal of policy since Russia rejected a request

from former president Morsi in April when he visited Moscow for help securing supplies of vital commodities on concessionary terms.

Officials and traders in Egypt saw the proposal as a political statement to help support Egypt at a time that a military-backed interim government is taking over.

"Politics has entered into economics here," a source in Egyptian government said.

"The previous government, before the mass protests of June 30 and the events that followed, had tried to get some kind of wheat aid from Russia but was refused, and now that the situation has changed, this is a political statement more than anything," he added.

The United Nations Food and Agriculture Organization (FAO) and the Egyptian government source said Egypt, meanwhile, was not in urgent need of wheat aid after receiving financial help from Gulf countries.

Since the army ousted Morsi last week, the United Arab Emirates, Saudi Arabia and Kuwait have promised \$12 billion in cash, loans and fuel, which economists say buys Cairo several months to fix its finances.

Abdolreza Abbassian, a senior FAO economist said, "We do not see any urgent disruption in the food chain as a result of the domestic political problem for the time being."

Even so, a Cairo-based trader said that from the market point of view, if Russia supplies wheat aid for free or as a long-term financing, Egypt will definitely accept it.

"Right now economically, with the money from the Gulf, Egypt is in a better position compared with two weeks ago," the trader added.

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