

Russia Says Oil-for-Goods Deal Not Started Yet

By [The Moscow Times](#)

June 08, 2015



An official at Rosselkhoznadzor, Russia's food safety regulator, said on Monday that grain sales to Iran had begun, according to the RIA news agency.

GELENDZHIK — Russian officials said on Monday it was too soon to say when an oil-for-goods deal with Iran would start, contradicting a report that Moscow had already begun delivering grain under such an arrangement.

The deal could help Moscow, which faces Western sanctions over the Ukraine crisis, strengthen its foothold in Iran. But an agreement between Tehran and world powers on Iran's nuclear program that relaxes sanctions on the Islamic republic has not yet been agreed.

An official at Rosselkhoznadzor, Russia's food safety regulator, said on Monday that grain sales to Iran had begun, according to the RIA news agency. But the regulators later said that did not mean the barter deal was already being implemented.

"Of course not," a Rosselkhoznadzor spokesman said when asked whether he knew that the deal had already started, adding that "we are dealing only with phytosanitary security."

Iran's semi-official Fars news agency, citing a report by Bloomberg, quoted Iran's oil minister on Saturday as saying Russia would begin oil imports from Tehran this week.

But the Kremlin declined comment and the Russian Energy Ministry said it was too early to talk about the start of the arrangement.

Energy Minister Alexander Novak later explained that Russia would not physically import Iranian oil under the deal.

"Within our memorandum on expanding trade and economic cooperation, Iran will sell us oil, and that money will go on buying goods from Russia. Our traders if possible will help to find a buyer," the Interfax news agency quoted Novak as saying.

Talks are now in their final stages on a deal to end the dispute between Iran and the United States, Britain, France, Russia, China and Germany on the nuclear program, which the West suspects has military aims. Tehran says the program is for peaceful purposes.

Russia has acted quickly to cement ties with Iran after an interim deal was reached in April on curbing the nuclear program in exchange for removing economic sanctions. The negotiators hope for a final accord by the end of this month.

The oil-for-goods swap between Russia and Iran is worth \$70 billion, Iran's ambassador to Moscow told the Russian newspaper Kommersant in an interview published last week.

Mehdi Sanaei said it included a \$1 billion deal already signed with state-run Russian Railways on building rail tracks, as well as six thermal power stations in Iran.

Russia has also said it is ready separately to deliver S-300 missile systems to Iran, the sale of which was scrapped in 2010 under Western pressure.

Original url:

<https://www.themoscowtimes.com/2015/06/08/russia-says-oil-for-goods-deal-not-started-yet-a47234>