

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Russian Federation

Post: Moscow

Russia Allows Limited Grain Exports

Report Categories:

Grain and Feed

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Report Highlights:

On August 30, 2010, Russia issued a Resolution that will allow an exception to the grain export ban for shipments to Russian institutions abroad and destinations identified for humanitarian assistance.

General Information:

Beginning August 15, 2010, Russia banned grain exports (wheat, meslin, barley, rye, and corn) and wheat and wheat-rye flour^[i] so all shipments of grain from Russia were stopped. The ban was put into place quite hastily and it is expected that its full impact was not foreseen.

According to press reports, Russia amended the ban on August 30, 2010, to allow Russia to export grain and flour to its institutions abroad and to fulfill its international humanitarian commitments. The Russian government issued Resolution #654 that says that the temporary ban on exports of Russian grain does not apply to agricultural commodities that are exported from Russia for the following purposes or to the following destinations:

- to be used as provisions in accord with the customs legislature of the Customs Union;
- for implementation of Russia's international treaties;
- to Kaliningrad oblast and exported from Kaliningrad oblast to other provinces of Russia;
- for official use of Russia's diplomatic, consulate and other official representative offices abroad;
- for supply of Russia's military formations located abroad;
- for supply of Russian organizations located in Baikonur (Republic of Kazakhstan) and on the territory of Baikonur complex;
- for supply of crews of Russian vessels and vessels chartered by Russian persons when these vessels are engaged in fishing or science-research work beyond the territorial sea of Russia;
- for supply of Russian organizations on Svalbard;
- for disaster, including natural disaster, management and recovery, and for rendering international humanitarian assistance.

Russia is starting to feel some pressure to lift its hastily imposed grain export ban. While this Resolution lifting the ban is extremely narrow, the flour millers in Siberia are hopeful that their pleas for exemptions will also be heard. Siberian flour millers have stocks of wheat flour that they want to export to China and Asian countries. Russia's domestic supplies are strong and there are no other economically viable options for them aside from exports.

^[i] For more information see GAIN report RS1039 Grain and Feed _ Ban on Grain Exports from Russia Comes to Force on August 15 _ Moscow _ Russian Federation _ 8/6/2010 and GAIN report RS1045 _ Grain and Feed _ Grain and Feed September Update _ Moscow _ Russian Federation _ 8/23/2010