

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY
USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT
POLICY

Voluntary Public

Date: 10/25/2010

GAIN Report Number: RS1062

Russian Federation

Post: Moscow

Grain Export Ban Extended to July 1

Report Categories:

Grain and Feed

Approved By:

Mary Ellen Smith

Prepared By:

Yelena Vassilieva

Report Highlights:

Russian Government Resolution #853 of October 20, 2010, extends the current grain export ban to July 1, 2011, with the exceptions for shipments to Russian institutions abroad and destinations identified for humanitarian assistance. Exports of wheat and rye flour will not be banned beginning January 2, 2011.

General Information:

Despite the forecast of a 36 percent decrease in the 2010 grain crop, Russian officials declare that this crop and carry-over stocks will allow Russia to meet all domestic demand in food, seeds, and feed grain through July 1, 2011. However, in order to sooth anxiety of domestic grain consumers, and to stimulate domestic marketing of grain, the Russian Government extended the grain export ban to July 1, 2011 by its Resolution #853 of October 20, 2010. The ban makes exceptions for shipments to Russian institutions abroad and destinations identified for humanitarian assistance ^[1]. The new resolution, unlike the previous one of August 5, 2010, does not include wheat and rye flour in the list of banned commodities. This exception was made on request of Russian flour millers, especially Siberian millers whose capacity are not used to full extent, while the milling wheat crop looks good so far. These millers started flour exports to Asia in 2009, and are interested in the further development of these export channels. The text of the Government Resolution #853 can be found on the Russian Government web-site: <http://government.ru/gov/results/12697/>.

From July 1 through August 15, 2010, the Russian traders managed to export 3.7 million metric tons (MMT) of grain, including 3.3 MMT of wheat. Given the revival of wheat flour exports anticipated in January 2011, as well as some humanitarian and institutional grain shipments, Russia's total grain exports in MY 2010 may slightly exceed 5 MMT. Grain exports in MY 2009 were 22 MMT.

Unofficial translation of GOR Resolution #853

Begin Text:

Government Resolution # 853 of October 20, 2010 “About Introduction of the Temporary Ban on Exports of Certain Agricultural Commodities from Russia”

“In accordance with Article 8 of the Agreement of June 9, 2009, On the introduction and application of measures affecting foreign trade in commodities on a single customs territory with respect to the third countries, the Government of the Russian Federation decrees:

1. Set from January 2, 2011, through June 30, 2011, a temporary ban on the export of wheat and meslin (TN VED code 1001), barley (TN VED code 1003 00), rye (code TN VED 1002 00 000 0), and corn (TN VED code 1005) from the territory of the Russian Federation (hereinafter – temporary ban).
2. Set that the temporary ban does not apply to apply to agricultural commodities that are exported from Russia:
 - 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

3. Ministry of Economic Development of the Russian Federation in accordance with established procedure shall:

- inform the States – members of the Custom Union, as well as the Commission of the Custom Union on the introduction of the temporary ban;
- submit proposals for the consideration of the Commission of the Custom Union on the application of temporary ban by other states - members of the Customs Union.

Chairman of the Government
of the Russian Federation

V. Putin

End Text

^[i] For more information on the original grain export ban and the exemptions for some grain shipments 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 RS1049 _ Grain and Feed _ Russia Allows Limited Grain Exports _ Moscow _ Russian Federation _ 9/1/2010.