

Russia sets grain deal conditions, Putin suggests free grain for Africa

By Reuters

22 Mar 2023

Russia laid out conditions on Monday, 21 March for agreeing to any further extension of the Black Sea grain deal, and President Vladimir Putin said that Moscow could send free grain to African countries if those conditions were not met.



Vessels are seen as they await inspection under the Black Sea Grain Initiative, brokered by the United Nations and Turkey, in the southern anchorage of the Bosphorus in Istanbul, Turkey December 11, 2022. REUTERS/Yoruk Isik/File Photo

The deal, allowing the safe export of grain from Ukrainian and Russian Black Sea ports, was renewed on Saturday, 19 March for 60 days - half the intended period - after Moscow said any further extension beyond May 18 would hinge on the removal of some Western sanctions.

Russia's foreign ministry, in a statement posted on its website on Monday, said Moscow had decided to limit the extension of the deal to 60 days over what it called "a lack of progress... on normalisation of domestic agricultural exports".



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It said the deal's renewal in May would depend on certain conditions, including restoring access to the Swift financial messaging system for Russian state-owned agriculture-focused bank Rosselkhozbank, a resumption of farm machinery supplies, and the unblocking of foreign assets and accounts held by Russian agricultural companies.

The grain deal, brokered last July by the United Nations and Turkey, aims to combat a global food crisis partly fuelled by Russia's actions in Ukraine. Both Russia and Ukraine are major grain exporters.

Ukraine, Turkey, and the United Nations wanted to extend the deal for 120 days.

Helping Africa

Speaking at a Russia-Africa parliamentary conference in Moscow on Monday, Putin said grain exports under the Black Sea deal had unfairly prioritised "well-fed European markets" rather than African countries, and that the renewal of the deal on Russia's terms was in the continent's interests.

Putin said that if the deal were not renewed, Moscow could supply free grain to "especially needy African countries", without elaborating. So far, exports under the grain deal have been transported under commercial agreements.

Though the main destinations for grain shipped under the deal have been China, Spain and Turkey, African countries have benefited indirectly as increased supply has helped drive down global grain prices.



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In its statement, Russia's foreign ministry said neither Turkey nor Ukraine had raised formal objections to the shortened renewal period for the grain deal.

A senior Ukrainian official told Reuters that Kyiv had objected to Moscow's insistence on a 60-day extension.

Western powers have hit Russia with tough sanctions over its actions in Ukraine. While Russian food and fertilizer exports are not under sanctions, Moscow says restrictions on payments, logistics and insurance industries are a barrier to such shipments.

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