

Russia needs action to remain world's top wheat exporter, government official says - Reuters

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Releads, adds Patrushev's quotes in paragraphs 4,8,10; background

MOSCOW, May 30 (Reuters) - Russia needs to act swiftly in order to maintain its position as the world's top wheat exporter, Deputy Prime Minister Dmitry Patrushev said on Friday, acknowledging a sharp slowdown in wheat exports in the current season.

Patrushev, who is responsible for agriculture in the government, said Russia will export 44.5 million metric tons of wheat and 53 million tons of grain in the 2024-2025 season.

Russia did not disclose statistics for last season's wheat exports but the government's estimates stand at 53 million tons, while the U.S. Department of Agriculture reported the figure of 55.5 million tons, implying a fall of up to 20% this year.

"The situation with grain exports is currently developing negatively. Compared to the same period in 2024, the dynamics are significantly lower," Patrushev told a conference in Sochi in southern Russia.

Russian farmers were hit by extreme weather last year. They are also complaining about falling profitability of growing wheat due to high export duties, rising costs for fuel and fertilizers, a strong rouble, and high interest rates.

Despite the fall in wheat exports, Russia maintains the status of the world's largest wheat exporter, but its share of the global market is set to shrink to 22% from 28% last season.

President Vladimir Putin ordered the government to boost agriculture exports by 50% by 2030 with grain exports hitting 80 million tons a year.

"Judging by the latest trend, the movement is going in the opposite direction, and this needs to be urgently corrected. We need to intensify supplies, we must work together to maintain Russia's positions in the global market," said Patrushev.

He flagged a change in the way the export duty is calculated as a possible measure to boost exports but said the duty, introduced to protect the domestic market, will remain in place.

"We proceed from the fact that export is an important sphere, but our priority is our domestic market. Based on this, we will make decisions," Patrushev said.

Patrushev urged exporters to find new markets and said the loading capacity at Russian ports should be increased and supporting infrastructure improved.

Russian exported grain at a record pace in the first part of the season but exports slowed sharply in February when export caps, also aimed at protecting the domestic market from food price inflation, took effect.

Patrushev said that he expected this year's harvest to be better than last year as the sowing campaign in many regions proceeded ahead of schedule.

(Reporting by Olga Popova, writing by Gleb Bryanski; Editing by Ros Russell)

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