

Pro and contra: Grain and people

Ivan Tomych, Chairman of the Committee for Agrarian Policies and Land Relations at the Verkhovna Rada,

- This question is very difficult to answer unambiguously but for the time being, there are no reasons for its destabilization. In a week, most Ukrainian regions will start harvest campaign. In three weeks, we will have Ukrainian grain and in a month and a half, import inflow will increase. So, in my viewpoint, there are no grounds for sharp fluctuations of prices.

- Do you believe Wednesday's decisions by the Verkhovna Rada to be sufficient for stabilizing the situation on the market?

- It is understandable that the domestic grain market will experience deficit amounting to nearly 50% of Ukraine's annual need for grain. Therefore, abolition of import duty on food rye and wheat seems to be well-reasoned. Will it help to solve the problem? The above will offer an opportunity to keep relatively high internal prices and provide citizens with enough bread. The decision will have no negative impact on domestic price, as it does not matter for those who import wheat from Russia and Kazakhstan. Such companies have already imported approximately 300,000 tons of wheat. We just expanded the number of importers with European states and America.

- What are your grain price prospects after the new harvest?

- I expect the third grade wheat price to fall below UAH 800 per ton, whereas today, it amounts to over UAH 1,000. Prices for cereals and sugar will also stabilize.