CSI DAILY NEWS

05.02.2026

Russia Reports Strong Condition of Winter Crops Ahead of 2026 Harvest

Russian farmers have already planted around 20 million hectares of winter crops for this year's harvest, with 97% currently in satisfactory condition, Deputy Prime Minister Dmitry Patrushev said. The figure marks a sharp improvement from the same period last year, when only 87% of crops were rated in good shape.

Speaking at a meeting on preparations for the upcoming sowing campaign, Patrushev added that the area planted with spring crops is expected to reach 56 million hectares, while the total sowing area in 2026 will rise to 83 million hectares, up from 79.3 million hectares in 2025, according to official statistics.

He stressed the need for constant monitoring of machinery, seeds, fuel and other inputs to ensure a smooth start to fieldwork across all regions.

Total government support for the agricultural sector in 2026 is projected at 542 billion rubles, including more than 90 billion rubles in direct subsidies to farmers. An additional 26.5 billion rubles will be allocated for short-term concessional loans, mainly to support seasonal field operations. Another 5.5 billion rubles will go toward expanding state-backed agricultural insurance, particularly for crop producers.

Patrushev also outlined five strategic priorities for the sector: improving soil fertility, strengthening breeding and seed production, boosting yields through advanced agrochemicals, expanding the use of unmanned technologies, and adapting crop production to climate change.[3]

Commodity Auctions: Results For 04.02.2026

Purchase

OOO Zakazchik No. 1

Wheat, grade 4, 12.5% (excluding VAT) | 16,200 ₽/t | 600 t

OOO Zakazchik No. 1

Wheat, grade 4, 12.5% (excluding VAT) | 15,700 ₽/t | 620 t

OOO OZK Trading

Wheat, grade 4, 12.5% (excluding VAT) | 16,525 ₽/t | 1,200 t

OOO OZK Trading

Wheat, grade 4, 12.5% (excluding VAT) | 15,490 ₽/t | 300 tons

OOO Trading House Sodruzhestvo

Soybeans 40 (incl. VAT) | 32,750 ₽/t | 100 tons

OOO CHERKIZOVO-MASLA

Soybeans 40 (incl. VAT) | 33,050 ₽/t | 1,000 tons[4]

Russia's 2025 Grain Harvest Hits 142 Million Tons Including New Regions

Russia's total grain harvest, including production from newly incorporated regions, reached about 142 million tons, Deputy Prime Minister Dmitry Patrushev said.

He noted that Russia has now recorded grain output above 120 million tons for seven consecutive years, despite recurring adverse weather conditions.

Earlier, at the end of January, Rosstat issued a preliminary estimate putting Russia's 2025 harvest of grains and legumes at 138.76 million tons in post-processing weight, including 90.9 million tons of wheat. That figure did not account for output from the new regions. [5]

Russian Wheat Export Prices Rise for Third Straight Week – Sovecon

Export prices for Russian wheat have increased for a third consecutive week, supported by a firmer ruble, higher domestic prices and renewed interest from international buyers, according to a report by the Sovecon analytical center.

As of the end of January 2026, wheat with 12.5% protein was quoted at $229–231 per tonne FOB, up $1 from the previous week. This marks the highest price level since November 2025, signaling a gradual recovery in Russia's export market after months of relative stagnation.

Sovecon analysts attribute the upward trend primarily to the strengthening of the ruble, which has raised exporters' costs in local currency terms, as well as to a steady rise in domestic wheat prices. At the same time, demand from key importing countries has begun to revive after a period of limited activity, adding further support to the market.

Traders also point to tighter export availability and cautious selling by Russian producers, who are holding back volumes in anticipation of better prices. This behavior has reduced spot supply and contributed to the firming of offers at Black Sea ports.

Looking ahead, Sovecon said the potential for further price growth has not yet been exhausted. Analysts expect the market to strengthen in the coming months as exporters adjust to currency dynamics and as importers increase coverage ahead of spring demand.[5]

EAEU Free Trade Deals with UAE, Mongolia and Indonesia Set to Take Effect in 2026

Free trade agreements between the Eurasian Economic Union (EAEU) and the United Arab Emirates, Mongolia and Indonesia are expected to enter into force in 2026, once ratification procedures are completed, Russian Deputy Prime Minister Alexei Overchuk said.

Speaking through the Russian government's official portal, Overchuk noted that all three agreements were signed last year and are now moving through the final approval stages in the respective countries.

"Ratification procedures for the Emirates, Mongolia and Indonesia are currently underway. We believe we have already ensured access to a market of about 730 million people for our producers, which is a very significant figure. We hope these agreements will come into effect in the next year or so," he said.

Overchuk recalled that the EAEU's full-fledged free trade agreement with Iran entered into force in 2025, after being signed by the EAEU member states and Tehran at the end of 2023. That deal marked a major step in expanding the bloc's trade relations beyond the post-Soviet space.

He also said that negotiations on a free trade zone with India were launched last year, although no timeline has been set for the conclusion of talks. According to Overchuk, India is simultaneously negotiating trade agreements with several other partners, including the European Union.

"We are studying how these parallel negotiations may affect one another. This is a subject for our negotiating teams to analyze," he said, commenting on how potential EU–India agreements could influence prospects for an EAEU–India free trade deal.

The EAEU, which includes Russia, Belarus, Kazakhstan, Armenia and Kyrgyzstan, has been actively seeking to expand its network of preferential trade agreements as part of a broader strategy to boost exports, diversify markets and strengthen economic ties with Asia, the Middle East and other regions.[6]

Domestic Seed Share Grows Rapidly in Sugar Beet, Rapeseed and Sunflower

The share of domestically bred seeds used in Russia's agricultural sector rose to 69.3% in 2025, up from 60.3% in 2022, according to data presented by the Ministry of Agriculture at the All-Russian Agronomic Conference.

The presentation, published via the Telegram channel "Seed Production in Russia," shows steady progress toward greater seed self-sufficiency. In 2024, the share of domestic seeds stood at 67.6%, indicating continued growth last year.

The most notable gains were recorded in several key crops. The share of Russian-bred seeds in sugar beet cultivation jumped sharply to 24.2% from just 8.2% in 2024. In rapeseed, the figure more than doubled to 67.8% from 33.8%. The use of domestic seeds also increased in sunflower to 58.8% from 43.9%, in soybeans to 50.1% from 52.6%, and in corn to 49.5% from 46%.

According to the country's Food Security Doctrine, Russia aims to raise the share of domestically bred seeds in the agricultural sector to 75% by 2030. Officials say this target is key to reducing reliance on foreign genetic material and strengthening technological sovereignty in crop production.

The ministry also reported that around 500 new Russian varieties and hybrids are added each year to the state register of agricultural plants approved for use. These varieties are adapted to Russia's diverse soil and climate conditions and are intended to improve yields, resilience and quality across regions.

The growing use of domestic seeds is seen as a strategic priority as Russia seeks to boost productivity while ensuring long-term stability in its agricultural supply chains.[6]

Russia Boosts Rapeseed Oil Exports by 37% in 2025

Russia significantly increased its exports of rapeseed oil in 2025, with shipments rising by 37% year on year to 1.58 million tons, according to preliminary data from the federal export center Agroexport. Export revenues grew even faster, up 54% to more than $1.6 billion.

Agroexport said 2025 became the second-best year in Russia's history for rapeseed oil exports, only slightly below the record set in 2023, when shipments totaled 1.6 million tons worth $1.61 billion.

China remained by far the largest buyer, importing about 1.4 million tons of Russian rapeseed oil in 2025. This was 37% more than in 2024 and more than six times higher than in 2019. As a result, China's share of Russia's total rapeseed oil exports surged from 32% in 2019 to around 90% in 2025.

Other major destinations included Iran, Norway, Tunisia and Latvia. Iran moved into second place last year after more than tripling its purchases and overtaking Latvia. Norway also increased imports by 26%, retaining its position as the third-largest buyer for the second year in a row.

In addition, Russia resumed shipments of rapeseed oil to several markets, including India (12,000 tons), Algeria (2,000 tons) and Georgia (72 tons). New destinations for Russian rapeseed oil in 2025 included Morocco (8,000 tons), North Korea (314 tons) and Mauritius (45 tons).

Analysts say the growth reflects both strong demand from Asia and Russia's expanding oilseed processing capacity, which is allowing exporters to supply higher volumes of value-added agricultural products to international markets. [6]

Agriculture Remains Backbone of Ukraine's Exports in 2025

Agricultural products continued to form the core of Ukraine's export revenues in 2025, with farmers selling goods abroad worth $22.6 billion, Economy, Environment and Agriculture Minister Taras Vysotsky said.

While the European Union remains Ukraine's main trading partner, its dominance is gradually declining as export geography becomes more diversified. According to the minister, the EU's share of Ukrainian agricultural exports has fallen to 47.5%, compared with more than half in previous years.

The shift was largely driven by the reintroduction of EU trade quotas in June 2025, which will remain in force throughout 2026. As a result of these restrictions, foreign exchange earnings from exports to the EU fell by $2.1 billion, Vysotsky said.

In 2025, Ukraine's agricultural exports were distributed as follows:

- **$10.7 billion to the EU**
- **$4.4 billion to the Middle East**
- **$2.8 billion to African countries**
- **$1.7 billion to Southeast Asia**

The largest individual markets for Ukrainian farm goods remained Egypt, the Netherlands, Italy, Spain, Poland and Turkey, according to the ministry.

At the same time, Ukraine is increasingly redirecting shipments toward the Middle East, North Africa and Southeast Asia, as well as to countries in sub-Saharan Africa and Central Asia. Key growth destinations include India, China, South Korea, Indonesia, Bangladesh and Vietnam.

Officials note that these markets differ from the EU in terms of standards and price dynamics. Product requirements are often less strict than in Europe, but prices tend to be more volatile, creating both opportunities and risks for exporters.

Vysotsky said the government is working to help Ukrainian producers adapt to these new markets, improve logistics and expand value-added exports, as Kyiv seeks to strengthen the resilience of its agricultural sector amid changing global trade conditions. [1]

Ukraine Corn Prices Rise as Farmers Hold Back Sales

Sunflower seed processing volumes in the European Union fell to a nine-year low in 2025, totaling just 7.4 million tonnes, according to Germany-based analysts at Oil World. The figure was 18% ниже, чем в 2024 году, when EU crushers processed around 9 million tonnes of sunflower seed.

Despite a seasonal rebound in the final quarter of the year, overall volumes remained sharply below normal levels. Oil World estimates that sunflower seed processing in October–December 2025 reached about 2.1 million tonnes, up 7% from the previous quarter, but this was not enough to offset weak activity earlier in the year.

Analysts cite several factors behind the decline. These include a smaller sunflower harvest in the EU, cautious selling by farmers, and disruptions to supplies from Ukraine, where crop failures and logistics constraints reduced export availability of raw material.

As processing margins deteriorated, many European plants began to reallocate capacity away from sunflower seed toward more profitable alternatives. The shift was most visible in the Netherlands, France and Bulgaria, where crushers increasingly focused on rapeseed.

In the fourth quarter of 2025, rapeseed processing in the EU climbed to 6.6 million tonnes, up 5% year on year. Oil World said the increase was supported by ample global rapeseed supplies and relatively strong profitability in the oil market.

The agency added that unless sunflower seed availability improves in both the EU and Ukraine, processing volumes are likely to remain constrained, while rapeseed continues to gain a larger share of European crushing capacity.[1]

Iran Boosts Food Purchases as Sanctions Threaten Trade Flows

Iran will scale back government subsidies on imports of all staple foods in 2026, keeping support only for wheat, the country’s most strategic commodity, the Ministry of Agriculture (MAJ) said. Wheat imports will continue to be subsidized at a preferential exchange rate of 285,000 rials per U.S. dollar.

Officials say the decision reflects mounting pressure to safeguard food security as Iran faces persistent economic uncertainty, international sanctions and rapid population growth, now exceeding 88 million people. Ensuring stable supplies of basic foodstuffs has become one of the government’s top priorities.

Iran has long sought self-sufficiency in grain production, particularly in wheat, barley, corn and rice. However, recurring droughts over the past six years have severely limited water availability for farmers, making it difficult to achieve those goals.

Wheat imports in Iran follow a distinctive pattern. Even in years when domestic production is sufficient to meet internal demand, imports may rise to support flour exports. Iran restricts the use of locally grown wheat for flour that is destined for export, which means the country often imports wheat even when the domestic crop appears adequate.

Looking ahead to 2026, analysts expect Russia and Kazakhstan to remain Iran's core wheat suppliers, thanks to their ability to ship via Caspian Sea routes and through EAEU-linked trade mechanisms.

Unlike wheat, corn remains structurally import-dependent because water shortages constrain domestic output while demand for animal feed continues to grow. Corn is therefore the most sensitive grain to Iran's broader economic conditions. Ukraine was once a major supplier, but by 2026 exports from Ukraine are officially banned, and the market has largely been taken over by Brazil, with Russian shipments remaining irregular.

Geopolitical risks are adding further strain. The United States has imposed new sanctions targeting the so-called "shadow fleet" used in Iran's oil exports. President Donald Trump has also warned of a potential 25% tariff on imports to the U.S. from any country that continues to do business with Iran.

In response, Iranian authorities are stepping up food закупки to build strategic reserves, anticipating a possible tightening of the economic blockade. Officials say stockpiling is aimed at cushioning the domestic market against future supply disruptions and price volatility.[1]

Kazakhstan Boosts Grain Shipments via Georgia to European Markets

Georgia is becoming an increasingly important transport and logistics hub for agricultural exports from Kazakhstan to Europe, Zhondari Kemularia, executive director of Georgian company Marine Shipping and Forwarding, said at the international KAZAKH GRAIN & LOGISTIC FORUM in Almaty on February 4.

According to Kemularia, grain transit through Georgia has expanded rapidly in recent years, especially since 2023. Total transit volumes through the Georgian ports of Poti and Batumi amounted to about 13 million tons in 2022, before rising further in subsequent years. In 2024, transit volumes increased by around 7%, and in 2025 the port of Batumi handled a record shipment of about 25 million tons of grain crops, he said.

Kemularia noted that infrastructure upgrades are playing a key role in this growth. A new bypass route across a mountain pass has recently been completed, reducing transit times and significantly increasing the capacity of Georgia's railway network. At the same time, Georgian ports are expanding their handling facilities for grain, oversized cargo and containerized freight, strengthening the country's position as a multimodal transit corridor between Central Asia and Europe.

He stressed that transporting agricultural products requires strict compliance with standards related to delivery times, cargo quality preservation and the reliability of logistics corridors. Maintaining stable and predictable routes is critical for exporters and buyers alike, especially in the highly competitive grain market.

Kemularia also pointed to operational challenges, including delays at ports and ferry crossings due to adverse weather conditions. He said these issues require coordinated solutions at a high level between authorities, infrastructure operators and logistics companies to ensure uninterrupted trade flows.

With growing volumes from Kazakhstan and rising interest in alternative Eurasian corridors, Georgia is positioning itself as a strategic link in agricultural supply chains connecting Central Asia with European markets.[2]

Kazakhstan's Flour Industry Calls for Urgent Reforms to Boost Exports

Kazakhstan's flour milling industry is facing serious internal constraints that are limiting growth and export potential, including railway logistics bottlenecks, delayed VAT refunds and insufficient funding under the transport cost reimbursement program, Zhomart Motyshev, president of the Kazakhstan Union of Grain Processors, said.

Speaking at the KAZAKH GRAIN & LOGISTIC FORUM in Almaty on February 4, Motyshev said that under current conditions and timelines, companies are not receiving the liquidity they need to operate and expand. Some businesses, he added, have been waiting for years for reimbursements under existing state support programs.

Over the past decades, Kazakhstan has built a full-fledged system for producing flour and other grain-processing products, allowing the sector to be viewed as an independent branch of the economy. The country has stable wheat and grain production that covers domestic needs, creates a sizeable export surplus and provides predictability for processors.

"Flour millers buy more than one third of the national wheat harvest every year at market prices. They are the most consistent and largest buyers, guaranteeing stable demand for grain," Motyshev said.

To strengthen the industry, he outlined several policy proposals aimed at expanding exports of value-added flour products. These include prioritizing processed goods in trade policy and using diplomatic channels to protect Kazakh flour exports in Central Asia and Afghanistan.

Motyshev also called for simplifying and stabilizing state support, including ensuring timely VAT refunds, increasing funding for the transport cost reimbursement program and fixing participation rules for at least three years to avoid constant changes. He urged the government to extend transport subsidies to flour products, similar to existing support for wheat exports.

In addition, he stressed the need to remove logistics barriers by guaranteeing access to rail infrastructure through timely approval of transport plans and avoiding export bans or restrictions. He also proposed developing a separate national strategy and roadmap for the flour milling industry.

“Without systemic solutions to protect and support domestic processing, Kazakhstan risks losing its position as a flour exporter and becoming locked into the role of a raw material supplier for neighboring countries,” Motyshev warned.

He added that the government understands the challenges facing the sector and expressed hope that a comprehensive package of support measures for the flour milling industry will be adopted in the near future.[2]

References:

1. www.ukragroconsult.com
2. www.apk-inform.com
3. www.agroexpert.press
4. NAMEX Telegram Channel
5. Agroexpert Telegram Channel
6. KSM Telegram Channel
7. Picture from www.captainzack.in