

# Ukraine to export 4 mln tonnes of grain to China

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Ukraine plans to export four million tonnes of grain to China in 2013 as part of a US\$3 billion loan agreement between the Export-Import Bank of China and the State Food and Grain Corporation of Ukraine (SFGCU), said Robert Brovdi, deputy chairman of the State Food and Grain of Ukraine on March 6th 2013.

The contract between Ukraine and China, which was signed in July 2012, stipulated the supply of Ukrainian grain during a 15 year period. The volume of annual grain export to the Asian country will be determined by the supply plan, bringing the absolute delivery volume up to six million tonnes per calendar year, Brovdi said. The counterpart on the Asian side is China National Machinery Industry Complete Engineering Corporation (CMCEC).

Out of the four million tonnes which are to be exported to China, two million tonnes will be purchased directly from the Ukrainian market while the remaining two million will be procured through forward contracts, according to Brovdi. This will also include the purchase of the 2012 harvest.

Ukrainian parliament provided state guarantees for the US\$3 billion loan taken out by SFGCU from the Export-Import Bank of China, specifying that the funds are to be used for projects in the field of agriculture.

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