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WORLD

## Russia Agrees to Renew Ukraine Grain Deal, U.N. Says

Moscow hasn't officially commented on a renewal of the July deal



The agreement allowed Ukraine to resume shipping grain through three Black Sea ports after a monthslong blockade.

PHOTO: CELESTINO ARCE LAVIN/ZUMA PRESS

## By William Mauldin Follow

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Moscow agreed to renew an arrangement with Ukraine, Turkey and the United Nations that allows for the export of Ukrainian agricultural products through the war-torn Black Sea region, U.N. Secretary-General António Guterres said.

"I welcome the agreement by all parties to continue the Black Sea Grain Initiative," Mr. Guterres said in a statement.

Grain prices fell sharply after the U.N. announcement. Wheat prices dropped 1.7% to \$8.04 a bushel and corn prices were down close to 1% to \$6.59 a bushel.

Ukrainian President Volodymyr Zelensky said in a tweet that the "Grain Deal will be prolonged," calling it a "key decision in the global fight against the food crisis."

Moscow hasn't announced a renewal of the deal, which was set to expire this weekend. Russian state news agency RIA Novosti reported that a decision from

Moscow is likely Thursday.

Turkish President Recep Tayyip Erdogan, who played a key role in orchestrating the original deal, said Wednesday at a summit of the Group of 20 countries in Indonesia that Russian President Vladimir Putin had signaled he was open to an extension.

It wasn't immediately clear whether the prolonged agreement had new terms or was an extension of the original pact.



The deal has helped Ukraine to resume shipping wheat at nearly prewar levels.

**PHOTO: STRINGER/REUTERS** 

Moscow has pushed for Ukraine to allow for the export of Russian ammonia through a pipeline across the country. Ukrainian officials have been reluctant, citing safety concerns about storing the material at the pipeline's terminus in Odessa, as well as political sensitivity within Ukraine.

"The United Nations is also fully committed to removing the remaining obstacles to exporting food and fertilizers from the Russian Federation," Mr. Guterres said.

Mr. Guterres has faced challenges in winning and preserving agreement between Kyiv and Moscow during the war, even though nations around the world have pressed Russia, which has attacked Ukrainian port cities, to clear a path for food supplies.

"The Plack Coa Crain Initiative continues to demonstrate the importance of

discreet diplomacy in the context of finding multilateral solutions," Mr. Guterres said.

The grain agreement, signed by Russia, Ukraine, Turkey and the U.N. in July, allowed Ukraine to resume shipping food products through three Black Sea ports after a monthslong Russian blockade that triggered fears of a deepening global food crisis. The deal has helped Ukraine to resume shipping wheat, corn and other products at nearly prewar levels, bringing global prices down.

Russia briefly suspended its role in the grain agreement in late October, threatening to bring the maritime corridor to a halt. Moscow rejoined the deal days later following negotiations with the U.N. and Turkey.

Mr. Putin has threatened to abandon the grain agreement in recent months, arguing that not enough of the grain was being shipped to poor countries. U.N. data showed that some 28% of grain shipped under the initiative went to lower-income nations, including humanitarian shipments to Afghanistan, Ethiopia and Somalia.

Russian officials have also sought action to facilitate exports of Russian food and fertilizer products. Western countries haven't sanctioned those exports, but sanctions might have created obstacles to financing and shipping Russian agricultural products, U.N. officials said.

A looming weekend deadline for the deal's renewal had weighed on Ukraine's vast farming community. The deal has effectively reopened their key export route. Before the war, farmers shipped over 95% of their products through the Black Sea.





Turkish President Recep Tayyip Erdogan played a key role in orchestrating the original deal. **PHOTO:** GOH CHAI HIN/AGENCE FRANCE-PRESSE/GETTY IMAGES

"For the likes of my company, it is critical," said Oleh Bakhmatyuk, the chairman of UkrLandFarming, one of Ukraine's biggest farming groups. "If farmers can't sell, they can't plant and sow again, so there is a knock on effect."

Some farmers had hoped that a new deal would go further than the previous one. Ukraine had at one stage pushed to broaden the deal to include the ports of Mykolaiv, which are among the largest in Ukraine and shipped 35% of the country's food exports before the war.

"Without access to these ports, exporters have to use alternative routes by road and river that are much slower and, in some cases, 10 to 40 times more expensive," said Andriy Vadaturskyy, chief executive of Mykolaiv-based grain trader Nibulon Ltd.

—Jared Malsin and Alistair MacDonald contributed to this article.

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