

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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## Russian Federation

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### Russian Agricultural Policy and Situation Bi-Weekly Update

**Report Categories:**

Agriculture in the News

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**Report Highlights:**

Russia lifts ban on Indian Rice...Russian Government plans to expand Taman port...The Ministry of Agriculture considers buying corn into Intervention Stocks...Rosagroleasing details successes in importing U.S. cattle...Russian Veterinary Service establishes working group with the British and restores market access of UK beef and lamb, and allows trial import of French cattle

### **General Information:**

Welcome to the Russian Agricultural Policy and Situation Bi-Weekly Update, a summary of issues of interest to the U. S. agricultural community. The report includes information that has been garnered during travel within Russia, reported in the local media, or offered by host country officials and agricultural analysts. Press articles are included and summarized in this report. Significant issues will be expanded upon in subsequent reports from this office. Minor grammatical changes have been made for clarification.

DISCLAIMER: Any press summary contained herein does NOT reflect USDA's, the U.S. Embassy's, or any other U.S. government agency's point of view or official policy.

### **Russia Lifts its 8 Months' Ban on Imports of Rice and Peanuts from India**

Beginning September 1, 2013, the Russian Service for Veterinary and Phytosanitary Surveillance (VPSS) lifted the ban on imports of rice, rice cereals and peanuts from India (VPSS's letter of August 19, 2013: <http://rsn-kld.ru/site/File/docs/10586.pdf>). India's sources report that the information on lifting the ban was made available to exporters on September 7, 2013 ([http://www.business-standard.com/article/markets/russia-lifts-ban-on-rice-imports-from-india-113090700549\\_1.html](http://www.business-standard.com/article/markets/russia-lifts-ban-on-rice-imports-from-india-113090700549_1.html)).

Russia's temporary ban on imports of Indian rice, rice cereals and peanuts lasted from February 2013, after discovering khapra beetle (*Tragoderma granarium*) in a few consignments from India. The information on lifting the ban appeared shortly after the meeting of economic ministers of ACEAN on August 21<sup>st</sup>, 2013, and, as said, after VPSS delegation visited India to get guarantees from Indian authorities that they will be meeting Russia's phytosanitary requirements.

### **The Russian Government Has Ordered Expanding of the Port of Taman**

The Russian Government adopted a decree that was prepared by the Russian Ministry on Transport, on expanding the seaport Taman (Government Order No. 1604-p. of September 7, 2013: <http://government.ru/docs/4538>). The value of the project is 228 billion rubles. This order is directed to the implementation of a new investment project "Establishment of a dry cargo port area in Taman" and development of the existing infrastructure of the port in the western part of the Taman peninsula. The Project will be implemented on government private partnership with the objective to provide export of the Russian commodities, including grain and oilseeds, to the international markets, and to shift freight from the Black Sea ports of neighboring countries (Ukraine, Turkey) to the port of Taman. Taman port is one of three Russian deep water ports in the Black Sea through which grain and oilseeds are exported, but the current use of the port is relatively small in part due to no railroad connections. (Note: For more information on Russian port capacity for grain, please visit this FAS/Moscow report: [Russian Grain Port Capacity and Transportation Update](#))

### **Ministry of Agriculture Considers Purchasing Corn to the State Intervention Fund**

In 2013, Russia is expected to harvest a record corn crop, and the corn price in European Russia (EXW) dropped from 8,115 Rubles (\$245) per metric ton (MT) on July 5, 2013 to 5,225 Rubles (\$160) per MT on September 13, 2013 (Source: ProZerno). Given the price's drop, the Russian Ministry of Agriculture has stated that it is considering purchasing corn to the State Intervention Fund in the fall of 2013 (<http://agronews.ru/news/detail/129125/>). Previously the Russian Government purchased corn to the Intervention Fund only in 2008, and then sold this corn to feed millers and livestock producers in the

spring of 2010. The Ministry has not determined the ceiling procurement price for corn yet. There is no unanimous opinion on the beginning of grain procurement interventions: The Ministry of Agriculture expects the end of September-beginning of October, while the Russian Grain Union forecasts its beginning not earlier than in the end of October 2013.

### **Rosagroleasing Issues Press Release on U.S. Cattle Delivery to Russia**

“Rosagroleasing,” the largest state owned agro-industrial leasing company in Russia, published a press release celebrating its success in importing 245 head of Holsteins from the United States into the port of Ust-Luga, outside of St. Petersburg. Rosagroleasing explained the shipping process, how the animals are cared for while in transit, and the eventual yields that can be expected. Rosagroleasing noted that it is the only leasing company in Russia supplying breeding animals under a financing lease. It added that since 2002, it has introduced more than 272,000 cattle into the Russian economy. For the original press release, in Russian, see [http://www.rosagroleasing.ru/press\\_center/news/18488/](http://www.rosagroleasing.ru/press_center/news/18488/).

### **Russian Veterinary Services Establishes Bi-Annual Working Group with British Counterparts**

During a meeting between officials from the Russian veterinary service and the head of the Veterinary Service of the United Kingdom, Nigel Gibbens, the two services agreed to collaborate on the diagnosis and pathogenesis of the Schmallenberg virus and conduct a safety assessment of the genetic material obtained from infected animals. The goal of the collaboration is to discuss compartmentalization with the OIE in the future. The UK also agreed to ensure the safety of breeding sheep, hatching eggs, and day-old chicks exported to Russia. In addition, an agreement was reached on regular meetings, at least twice a year, of the Russian- British working group on veterinary and phytosanitary cooperation under the auspices of the Chief Veterinary Officers of Russia and the UK. For the original press release, in Russian, see <http://www.fsvps.ru/fsvps/news/7614.html>.

### **Russian Veterinary Service Allows Trial Import of French Dairy Cattle**

According to an online Russian agricultural news source, the Russian veterinary service has permitted the importation of 2,100 head of French dairy cattle on a trial basis. The Russian veterinary service is quoted as saying that “the French Veterinary Service has promised that it will approach, with special attention, the selection of these animals, their control before shipment and quarantine before shipment.” The Russian veterinary service has recently engaged in discussions with officials from the veterinary services of several EU Member States about its willingness to import live animals if certain control measures are instituted to protect Russia from contracting the Schmallenburg virus via these imports. For a google translation of the full article, see <http://translate.google.com/translate?hl=en&sl=ru&tl=en&u=http%3A%2F%2Fwww.dairynews.ru%2Fdairyfarm%2Frosselkhoznadzor-sdelal-isklyuchenie-dlya-frantsuz.html>

### **Market Access for British Beef and Lamb is Restored**

According to the Farmer’s Guardian, UK Secretary of State for Environment, Food, and Rural Affairs, Owen Paterson, concluded his visit to Russia by signing an agreement with Russian Deputy Prime Minister Dvorkovitch which restores Russian market access for UK beef and lamb (which has been restricted from the market for the last 18 years due to BSE-related concerns). Mr. Paterson was quoted, in part, as saying, “I’m thrilled that our negotiations with Russia have proved successful. This is a credit to our vets and producers who have all worked amazingly hard to meet the required export standards.

With the inclusion of offal as part of the deal, the gates of opportunity are now well and truly open for our meat industry....” For additional information, see

<http://www.farmersguardian.com/home/business/paterson-signs-off-%C2%A3100m-russian-export-deal/58823.article>