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Russian Federation

Poultry and Products

Russia Orders Reissue of Poultry Import Permits 2006

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Report Highlights:

The Russian government cancelled all import permits for poultry meat and poultry products effective April 27 due to out of control fraud, smuggling and falsification of veterinary certificates. According to Ministry of Agriculture officials, poultry imports will be allowed under the old permits until May 8. Minister of Agriculture Aleksey Gordeyev announced that new permits would be issued within 10-14 days using a new simplified system. Most market analysts believe that it will take much longer.

Includes PSD Changes: No Includes Trade Matrix: No Unscheduled Report Moscow [RS1] [RS]

Summary

The Russian Federal Veterinary and Phytosanitary Surveillance Service (VPSS) cancelled all import permits for poultry beginning April 27 for the rest of the calendar year. According to the Ministry of Agriculture's press service, this move was necessary because of "violations of veterinary laws, including offloading products without import permits, discrepancies between documents and actual cargoes, fake products as well as importing products with counterfeited certificates of the Russian Agricultural Supervision Service." Poultry imports will be accepted under the old permits until May 8. The Minister of Agriculture, Aleksey Gordeyev, stated that "this is only a technical measure which will hardly influence the work of importers" and stated that new permits would be issued within 10-14 days, using a new simplified system.

Importers and market analysts are not as optimistic. They doubt the new permits will be issues any time soon, which means that arriving containers of poultry meat will be stuck at ports requiring importers to pay hefty demurrage fees. The idle time of an ordinary 20-ton container costs on average \$300 a day. In addition, importers recently learned that new import permits, which previously were issued free of charge, will cost between \$110 and \$115 per metric ton of poultry meat, implying a 10-15 percent increase in the cost of the delivered product.

Unofficial Embassy Translation of Resolution

Ministry of Agriculture website http://www.mcx.ru/index.html?he_id=664&news_id=2745&n_page=1 April 27, 2006

BEGIN TEXT:

MINISTRY OF AGRICULTURE RUSSIAN FEDERATION

FEDERAL VETERINARY & PHYTOSANITARY SURVEILLANCE SERVICE (ROSSELHOZNADZOR)

Heads of Territorial Administrations Rosselhoznadzor

Heads of Veterinary Authorities, Subjects of the Russian Federation

In connection with cases of non-compliance with Russia's veterinary legislation during the import of poultry meat and poultry products to the Russian Federation (shipments without import permits, non-compliance of documents and cargo, faulty products, non-compliance with separate storage requirements on meat raw materials of various categories at one storage facility as well as attempts to import products using falsified permits, etc.) hereby cancels all veterinary permits for the import of the stated products for 2006 starting April 27.

The issuing of new permits for importing to the Russian Federation in 2006 poultry meat and poultry products shall be carried out by Rosselhoznadzor at the condition:

1. That coordination has been completed with the territorial administration of Rosselhoznadzor in the subject of the Russian Federation which the cargo is destined for of the previously submitted application for the import of poultry meat and poultry products as well as newly prepared applications for the issue of such permits as well as submitting information on violations of veterinary legislation of the Russian Federation in 2005-2006 in that subject, compliance of the buyer company with the Rosselhoznadzor instruction No. FS-EH-2/9528, the amount of poultry meat and poultry products imported this year to the federal subject in accordance with previously issued import permits.

2. That the buyer company presents written guarantees that it will comply with the veterinary legislation of the Russian Federation during the movement and sale of the products.

The decision to allow entrance for poultry meat and poultry products shipped by the exporting country prior to May 8, 2006 shall be made by the territorial administrations of Rosselhoznadzor in accordance with established procedures and in each separate case with due account of the date of processing of veterinary and cargo documentation.

The present decision must be immediately brought to the attention of veterinary authorities of the Russian Federation, foreign traders and all parties concerned.

Deputy Head

E.A.Nepoklonov

END TEXT.