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### Russian Agricultural Policy and Situation Bi-Weekly Update 9

**Report Categories:**

Agriculture in the News

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**Report Highlights:**

Creation of Caspian Sea Regulatory Body . . . Government of Russia Sets Rules for Coordination Among Scientific Organizations . . . The First All-Russia Food Security Forum . . . Government Increased Level of Subsidies to Agricultural Machinery Producers . . . Government Allocated Additional 2.5 billion Rubles for Plant Production . . . GOR Proposes Ban of Powdered Alcohol . . . Whiskey Under the Brand "Stoli" May Appear on Russian Shelves. . . Miratorg is Expanding . . . The State Duma Approved Amendments to the Federal Law On Fisheries . . . Medvedev Appointed New Deputy Minister of Agriculture . . . Russia Loosens Moldovan Fruit Import Restrictions . . . Special Federal Stamps Introduced for Russian Wine and Brandy.

**General Information:****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.

**Creation of Caspian Sea Regulatory Body:** On June 2, 2015, Prime Minister Medvedev signed resolution #527-R introducing the draft federal law "On Ratification of Agreement on Preservation and Rational Use of Water Biological Resources of the Caspian Sea." The Agreement was signed in Astrakhan on September 29, 2014, by Azerbaidjan, Iran, Kazakhstan, Russian Federation and Turkmenistan. The final approval of the document will enable the creation of an entity for the regulation of catch of sturgeon and other fish species in the Caspian Sea.

<http://government.ru/activities/18350/>

**Government of Russia Sets Rules for Coordination Among Scientific Organizations:** On May 29, 2015, the GOR approved Resolution # 522 that defines Rules for Coordination of Activities between the Federal Agency of Scientific Organizations (FASO) and the Russian Academy of Sciences (RAS). Currently the two organizations cooperate in the framework of the Scientific Coordination Council and according to the agreement on cooperation concluded on September 10, 2014. According to the new Rules, the government will issue normative acts, conduct meetings on the subjects suggested by heads of FASO and RAS, as well as create appropriate coordination and consultative bodies. In addition, RAS should coordinate plans for conducting scientific research, assessment of scientific activity, expertise of scientific results, and coordinate candidates for positions of the head of scientific organizations with FASO. <http://government.ru/media/files/SsL54krRLvg8StNk1BFnHra0R2E3pXdh.pdf>

**The First All-Russia Food Security Forum:** The first All-Russia Food Security Forum was held on Rostov-on-Don. More than 30 Russian regions participated in the event, including representatives from Belarus and Kazakhstan. The leading participant in the Forum was the Federal State Budgetary Enterprise "Center for Grain Quality Assessment." Since 2010, the organization implemented unitary government policy to ensure the quality and safety of grain throughout Russia. The agenda included the following five panel sessions: Key Threats to Russia's Food Security as Priority Opportunities for Investment, Perspective for Self-Sufficiency in meat, Development of domestic agricultural machinery, Financing of AgroIndustrial Complex, and Russia's Role and Place on Global Food Market. Prime Minister Dmiriy Medvedev and Minister of Agriculture, Alexander Tkachyov, were scheduled to participate in the plenary session. <http://www.fsvps.ru/fsvps/news/13816.html>

**Government Increased Level of Subsidies to Agricultural Machinery Producers:** On June 4, 2015

the Government of Russia issued Resolution No.550 on increasing subsidies to agricultural machinery producers from 15 percent to 25 percent. The measure will make agricultural machinery more affordable for agricultural producers. In addition, the current document amends and finalizes the rules and mechanism for providing subsidies to agricultural producers, approved by government Resolution No. 1432 dated December 27, 2014.

<http://government.ru/docs/18421/>

**Government Allocated Additional 2.5 billion Rubles for Plant Production:** On June 8, 2015, the Government of Russia issued Regulation #1051-p, which increased the amount of subsidies allocated for crop production by 2.5 billion rubles. Previously, on February 13, 2015, government regulation #224-p approved the distribution of subsidies allocated from the federal budget to the regional budgets to partly compensate interest rates on credits for crop production, processing and marketing of plant products in the amount of 18,842.3 billion rubles. The subsidies are granted in the framework of the subprogram “development of crop production, processing and marketing of plant products.” The current document provides for 2015 subsidies from the federal budget in the total amount of 21.342 billion rubles. These subsidies will be distributed among 84 regions of the Russian Federation to support development of plant products. <http://government.ru/docs/18437/>

**GOR Proposes Ban of Powdered Alcohol:** The Federal Service on the Regulation of Alcohol Marketing (FSRAM) has proposed banning the sale in Russia of powdered alcohol made in Germany, the Netherlands and Japan. In 2014, the company Lipsmark announced the intention to sell "alcohol powder" under the brand Palcohol in the United States.

<http://ria.ru/economy/20150603/1067978268.html>

**Whiskey Under the Brand "Stoli" May Appear on Russian Shelves:** Soyuzplodimport plans to start selling whiskey under the brand Stoli in the domestic market. The Eastern European Distribution Company will organize production and sale of Stoli whiskey. The product sold in the domestic market will be the same product offered for export and will be made entirely of Russian raw materials. It is expected that it will be priced competitively compared with foreign brands — retail price is expected to be approximately 600 – 650 rubles per 0.75 liter.

<https://news.mail.ru/economics/22278290/?frommail=1>

**Miratorg is Expanding:** The Industrial Holding, Miratorg, the largest beef producer in Russia, is building a beef production cluster comprising new facilities in Orel, Kaluga, Bryansk, Tula, Smolensk and Kursk. The announced plans include capacity expansion of their cattle feedlot in Orel Oblast up to 175 thousand head per year, making it the largest production facility of its kind not only in Russia, but also in Europe. The expected investment of over 1.3 billion Rubles for construction of the feedlot over an area of more than 320 hectares, will reportedly create 80 new jobs. The feedlot is expected to have 175 paddocks and storage capacity of 360 thousand MT of grain, produced by the Agroholding's subsidiary companies. The company will place Aberdeen Angus cattle from its farms in Bryansk, Kaliningrad, Kaluga and Smolensk at the Orel feedlot. Additionally, the Orel and Bryansk regions will construct a new road Somovo-Ryazanka-Kuprino, which will be the first stage of the creation of a new transportation network needed to meet the modern logistics requirements for accessibility to the agricultural producing centers.

<http://www.miratorg.ru/about/news/Lists/List/NewsView.aspx?ID=289&ContentTypeId=0x010030F5A>

[0BF7CAB954A94821673F986897B](http://www.mcx.ru/news/news/show/39621.355.htm)

**The State Duma Approved Amendments to the Federal Law On Fisheries:** The State Duma of the Russian Federation in the third reading passed amendments to the Federal Law “On Introduction of Amendments in Federal Law On Fisheries and Preservation of Water Biological Resources.” The new amendments will allow for future preservation of and an increase in the stock of wild salmon in the Pacific basin. These stocks are considered a base for sustainable development of the fisheries sector in the Far East, as well as an important element to Russia’s import substitution and food security initiatives. <http://www.mcx.ru/news/news/show/39621.355.htm>

**Medvedev Appointed New Deputy Minister of Agriculture:** On June 11, 2015, the Russian Prime Minister, Dmitry Medvedev, appointed Yelena Astrakhantseva, Deputy Head of Secretariat of Vice-Premier of the Russian government Arkadiy Dvorkovich, as a new Deputy Minister of Agriculture. <http://government.ru/media/files/EsQJftrcYbCFKT1N6dLrSsRF0r18Wkbb.pdf>

**Russia Loosens Moldovan Fruit Import Restrictions:** On June 11, 2015, the Russian Veterinary and Phytosanitary Surveillance Service (VPSS) loosened import restrictions on certain types of fruit products from Moldova (VPSS Directive # FS-YUSH-3/9838) including apples, pears, quince (HS 0808) and apricots, cherries, peaches, nectarines, and plums (HS 08109). <http://www.fsvps.ru/fsvps/news/ld/167900.html>

**Special Federal Stamps Introduced for Russian Wine and Brandy:** According to Resolution № 593 on June 16, 2015, the Russian Government introduced special federal stamps for Russian wine and brandy with geographical indications. Notions of ‘brandy’, ‘brandy (special)’, ‘grape wines (special)’, ‘sparkling wines (special)’, ‘spirits (special)’, and ‘liqueur wines (special)’ are included in the order. The notion of ‘special’ means products made in accordance with requirements of the protected geographical indication. The document was developed by the Russian Federal Service for Alcohol Market Regulation as a subordinate act to the federal Law № 490 on December 31, 2014 to create favorable conditions for wine production from the Russian grape. First Russian products with the protected geographical indication or the designation of origin may appear on the market in 2016. <http://government.ru/docs/18560/>