



USDA Foreign Agricultural Service

# GAIN Report

Global Agriculture Information Network

Template Version 2.09

Voluntary Report - public distribution

**Date:** 2/13/2007

**GAIN Report Number:** RS7015

## Russian Federation

### Grain and Feed

## Seasonal Import Tariffs on Rice and Rice Products 2007

**Approved by:**

Allan Mustard  
American Embassy

**Prepared by:**

Yelena Vassilieva, Kimberly Svec

---

**Report Highlights:**

The Russian Government established seasonal import tariffs on rice at 0.12 Euro per kilogram, almost double the current previous rate of 0.07 Euro per kilogram. The tariff will be in effect from March 12 to May 31, and from October 1 to December 31, 2007. The tariff increase and a series of recent import bans are an effort to create favorable market conditions for domestic rice producers. The new tariff rate is expected to increase imported rice prices by 12 to 18 percent.

---

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

## Executive Summary

Russian Government Resolution #85 of February 8, 2007, published on February 12, 2007, sets seasonal customs tariffs on rice and rice products (flour and groats) at 0.12 Euro per kg, almost double the previous rate of 0.07 Euro per kilogram. The seasonal tariff will be in effect from March 12 through May 31, and from October 1 through December 31, 2007.

Rice import duties have been steadily increasing since April 2005, when the duty was 10 percent of customs value but not less than 0.03 Euro per kilogram. The tariff was raised to 0.07 Euro per kilogram on January 2006 (GAIN RS5019 *New Import Duty on Rice*, RS5083 *Rice and Products Import Duties*) and now to 0.12 Euro per kilogram. Although the import tariff increase to 0.07 Euro per kilogram curbed Russia's rice imports, the measure was insufficient to create favorable conditions for domestic producers. In an apparent effort to boost prices and aid domestic producers, Russia has imposed rice import bans. On September 27, 2006, Russia imposed a ban on U.S. rice. On December 4, 2006, Russia imposed a phytosanitary-based ban on imports of rice from all origins, and the ban has not been lifted yet. Russian quarantine and phytosanitary requirements for imported rice lack transparency, and the Russian Federal Service for Veterinary and Phytosanitary Surveillance (VPSS) is demanding that its inspectors audit the entire rice chain in exporting countries (GAIN RS6066 *Russia Temporarily Bans Rice Imports*, RS7014 *Grain and Feed February Update*).

According to official Customs data, the average price of 1 kilogram of Chinese rice from January – September 2006 reached \$0.32, or approximately 0.25 Euro per kilogram. This price level was 40 percent higher than during the same period in 2005, and more than double the 2004 price of \$0.14 per kilogram. The new tariff is expected to increase imported rice prices by 12 to 18 percent.

## Text of the Resolution #85 of February 8, 2007

Unofficial translation

### Government of the Russian Federation Resolution #85 of February 8, 2007

#### **"On Seasonal Tariffs on Rice and Rice Flour and Groat Products, Imported into the Territory of the Russian Federation in 2007"**

In accordance with Article 6 of the Federal Law "On Customs Tariffs" the Government of the Russian Federation decrees the following:

1. To set seasonal import tariffs on rice and rice flour and groats (Russian Tariff Codes 1006, 1103 19 500 0, 1103 20 500 0, 1104 19 910 0, 1108 19 100 0) imported into the territory of the Russian Federation for the period through May 31, and from October 1 through December 31, 2007, at 0.12 Euro per 1 kilogram. The Federal Customs Service of the Russian Federation shall provide for collection of seasonal duties in accordance with the legislature of the Russian Federation
2. To determine that point 2 of the Resolution of the Government of the Russian Federation #1347 of October 22, 1997 "Issues of Customs-Tariff Policy" (Collection of Laws of the Russian Federation, 1997, #43, article 4998) does not cover import customs tariff set by point 1 of the present Resolution.

3. The present Resolution enters into force one month after the date of its official publication.

Chairman of the Government  
Of the Russian Federation

M. Fradkov

Moscow  
End Text

Note: The commodities are defined by codes of the Customs Nomenclature of the Russia's Foreign Trade Activity Russia's Tariff Code. The codes are close or similar to the HS codes.