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## Russian Federation

### Grain and Feed

## Wheat Export Tariff Raised to 40 Percent 2007

**Approved by:**

Allan Mustard  
American Embassy

**Prepared by:**

Yelena Vassilieva

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**Report Highlights:**

The Russian export tariff on wheat and meslin will be raised to 40% *ad valorem* but not less than 105 Euros per metric ton, a prohibitive level, effective January 28, 2008 to April 30, 2008. This will shut off wheat exports. Barley exports have already been effectively cut off by a previously imposed 30% *ad valorem* export tariff.

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

## Summary

The Russian government published a decree Friday, December 28, 2007, raising the export tariff on wheat and meslin to 40% *ad valorem*, but not less than 105 Euro per metric ton, effective 30 days from publication to April 30, 2008. The decree appeared on the websites of the Russian government and the official newspaper, *Rossiyskaya gazeta*. The original Russian text can be seen on those two websites:

<http://rg.ru/2007/12/28/pshenica-poshlina-dok.html>

<http://www.government.ru/government/governmentactivity/rfgovernmentdecisions/archive/2007/12/28/2474635.htm>

The grain trade anticipated either a prohibitive export tariff or an outright export ban as part of the Russian government's effort to contain food price inflation and to support the livestock sector. Traders actually would have preferred a ban, as that would have permitted them to invoke *force majeure* clauses of contracts. Given high world prices, wheat exports will continue briskly until the new tariff goes into effect. Barley exports have already largely come to a halt due to a 30% *ad valorem* tariff imposed earlier.

## Text of the Decree

BEGIN TEXT:

Government of the Russian Federation

Resolution #934 of December 28, 2007

On Amendments to the Resolution of the Government of the Russian Federation #660 of October 10, 2007, concerning Approval of Export Customs Tariff on Wheat and Meslin.

The Government of the Russian Federation decrees the following:

1. As partial amendment to the Resolution of the Government of the Russian Federation #660 of October 10, 2007 "On Approval of Export Tariffs on Wheat, Meslin and Barley Exported out of the Borders of the Members of the Customs Union Agreement" (Collected Laws of the Russian Federation, 2007, #42, article 5055) to approve the export tariff on wheat and meslin (Russia's TN VED code 1001) at 40 percent of customs value, but not less than 0.105 euro per 1 kg.

2. This resolution enters into force one month after its official publication, and will be in force through April 30, 2008.

Chairman of the Government  
Of the Russian Federation

V. Zubkov

END TEXT.

## Other Relevant Reports

RS7095 Grain and Feed / January 2008 Monthly Update  
(not yet posted)

RS7094 Trade Policy Monitoring / List of Essential Commodities Subject to Potential Export Ban <http://www.fas.usda.gov/gainfiles/200712/146293328.doc>

RS7092 Agricultural Situation / Creation of Legal Basis for Food Price Regulation  
<http://www.fas.usda.gov/gainfiles/200712/146293347.pdf>

RS7089 Trade Policy Monitoring / Russia Drafts a List of Essential Commodities  
<http://www.fas.usda.gov/gainfiles/200712/146293331.pdf>

RS7086 Grain and Feed / December Monthly Update  
<http://www.fas.usda.gov/gainfiles/200711/146293138.doc>

RS7075 Grain and Feed / Grain Interventions Announced  
<http://www.fas.usda.gov/gainfiles/200710/146292770.doc>

RS7070 Grain and Feed / Russian Government Resolution on Temporary Export Duties on Wheat and Barley  
<http://www.fas.usda.gov/gainfiles/200710/146292739.doc>