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Report Name: Transit of Embargoed Food through Russia Streamlined

Country: Russian Federation

Post: Moscow

Report Category: Agriculture in the News, FAIRS Subject Report, Trade Policy Monitoring

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## **Report Highlights:**

Russia has recently updated its food-ban-related legislation to streamline transit of embargoed food through its territory using a "track and trace" electronic tracking system. As part of the process, Russia's Federal Veterinary and Phytosanitary Surveillance Service (VPSS) 2014 ban on transit of embargoed goods through Belarus was cancelled. Press reports indicate that shipments of embargoed products, such as salmon and whey powder, from the EU to China have started under the new rules since late March 2020.

## **General Information**

Presidential Decree No. 290 of June 24, 2019, allows transit of embargoed goods through Russia provided that the cargo is accompanied by track and trace devices, i.e. electronic seals. Following resolution of a number of technical issues such as selection of an operator to oversee the system for electronic navigation seals and adoption of implementing acts, e.g. resolution of the Government of the Russian Federation No. 1877 of December 27, 2019, which inter alia, cancelled Russia's Federal Veterinary and Phytosanitary Surveillance Service (VPSS) 2014 ban on transit of embargoed goods through Belarus, a test shipment of frozen salmon travelled from the Netherlands to Shanghai through Belarus, Russia and Kazakhstan<sup>1</sup>. An alternative northern route via Manzhouli/Zabaikalsk was also successfully tested in mid-May<sup>2</sup> as two 40-foot containers with whey powder for the production of baby food left Europe for China.

Resolution No. 1877 of December 27, 2019 of the Government of the Russian Federation established a list of some 30 automobile and railway crossing points on the Russian border that are authorized for such transit shipments. Only representatives of the system operator are authorized to install and uninstall the electronic seals on shipments at the border crossing points. The use of electronic navigation seals is a paid service with <u>fees</u> for the installation, uninstallation and use starting from 4,720 rubles (about \$67) a day.

The procedure can be used for transit of banned agricultural products originating from the countries that apply economic sanctions against Russia, including the United States, through Russia to third countries. To date, Post is not aware if transit routes under the new track and trace system have been used for any shipments of U.S. products.

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No Attachments.

<sup>&</sup>lt;sup>1</sup> Sanctioned European goods transit Russia to reach China by rail

<sup>&</sup>lt;sup>2</sup> RZD Logistics Tests Northern Route for Transit of Sanctioned Goods