

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY

Required Report - public distribution

Date: 5/30/2014

GAIN Report Number: RS1436

Russian Federation

Dairy and Products Semi-annual

2014 Dairy and Products Semi-Annual

Approved By:

Holly Higgins

Prepared By:

Staff

Report Highlights:

FAS/Moscow has decreased the 2014 forecast for Russian dairy cow inventories as the industry continues to remain vulnerable to fluctuations in feed prices and feed supplies. Given the continued reduction in cow inventories, FAS/Moscow has reduced 2014 forecasts for domestically produced fluid milk (to 30.5 MMT). In turn, imported fluid milk is forecast to increase as dairy processors continue to take advantage of the market opportunities for high-value dairy products. Production estimates for cheese (460,000 MT) and butter (220,000 MT) have been increased, while forecasts for dried milk production remain unchanged. While cheese imports are forecast lower as a result of trade restrictions, market opportunities remain for other products.

Production

Cow Inventories

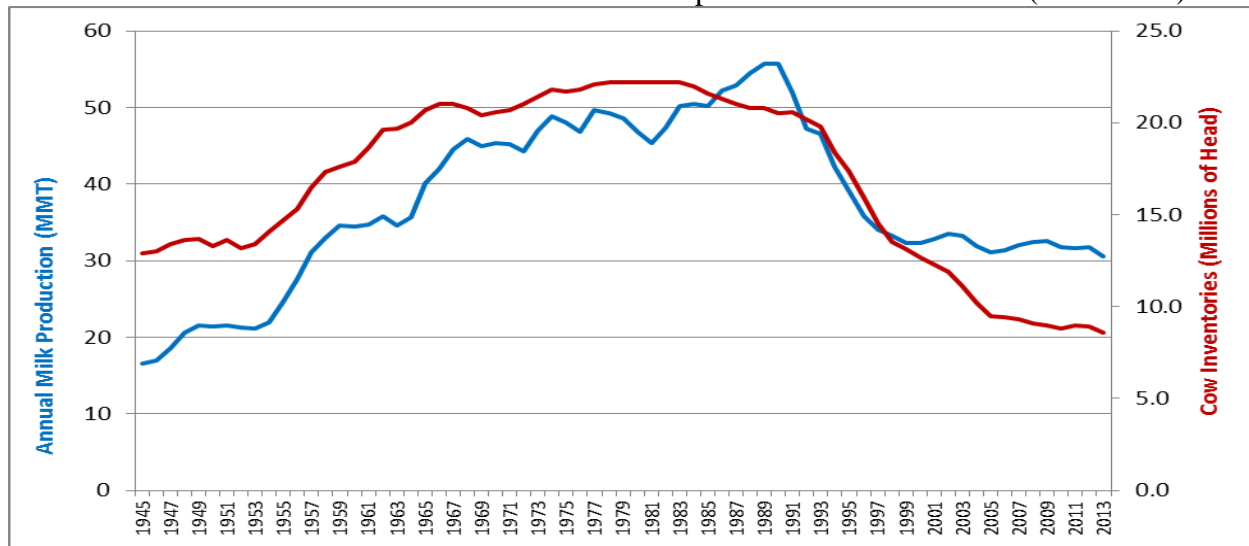
FAS/Moscow has decreased the 2014 Russian cows-in-milk forecast by approximately 3 percent from the previous estimate (to 8,200 head, a 2.5 percent decrease from revised 2013 numbers). Unlike the situation for pork and poultry in Russia, only slightly more than 40 percent of Russia's cows in 2013 were located at large-scale agricultural establishments (compared to 77 and 80 percent of inventories for swine and poultry, respectively). With the majority of cows on small-scale farms, the industry remains vulnerable to fluctuations in feed prices and feed supplies. Russia imported nearly 100,000 head of live purebred cattle in 2013 (both dairy and beef cattle), to improve the quality of the pre-existing herd, but these purebred animals are largely being imported by large agricultural establishments.

FAS/Moscow has also slightly lowered its 2013 estimate for Russian cows-in-milk based on the availability of year-end domestic milk production data.

Fluid Milk

FAS/Moscow decreased the 2014 fluid milk production forecast by approximately 3 percent. Annual domestic milk production still continues to fall (see chart 1) even as facility modernization and improved farm management practices are being instituted at large-scale agricultural establishments.

Chart 1. Russian Annual Fluid Milk Production Compared to Cow Inventories (1945-2013)



Source: Rosstat

According to the National Union of Milk Producers (NUMP), milk production in the first quarter of 2014 was reportedly down slightly more than one percent year-on-year. As mentioned, the majority of Russia's dairy cattle are still located at less modern, small-scale establishments which continues to constrain production. While production should increase in the summer months, further reductions in cow inventories are expected to lead to an annual decrease in fluid milk production.

In 2014, the federal budget allocation for subsidies to support livestock producers, including milk producers, is lower than it was in 2013. The government has allocated 8.42 billion rubles (approximately \$240 million) for subsidies on a per-liter basis (liter per milk produced), 35 percent less

than in 2013. The total interest rate subsidy for short-term loans in 2014 is valued at 3.74 billion rubles (roughly \$107 million), or nearly 8 percent less than in 2013, and the total interest rate subsidy for long-term loans is valued at 30.44 billion rubles (almost \$870 million), nearly 6 percent more than in 2013.

Milk producers in 2014, as was the case last year, also can participate in the federal/provincial programs for support of small-scale farming, individual entrepreneurs, and other social and economic programs for agricultural producers and for the development of rural territories. However, federal subsidies for these programs remain limited.

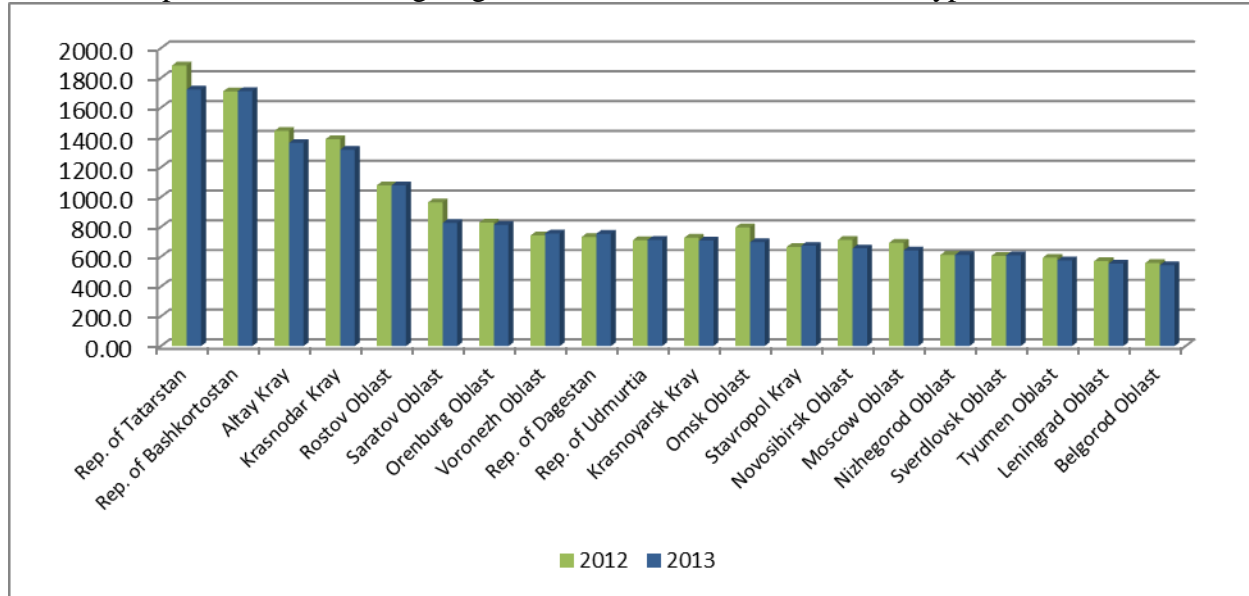
At the end of 2013, the Russian government acknowledged that despite support funds being made available for domestic milk producers, Russian milk production was still lagging behind the government's production goals (i.e., 38 MMT per year by 2020). Milk producers complained that interest rate subsidies did not allow for long-term investments to develop and modernize dairy farms, and asked the federal government to increase the rate of subsidies from 80 percent to 100 percent of the interest that could be supported, as well as an extension of the terms of covered loans from eight to a maximum of 15 years. In early 2014, the government promised to increase support for Russian milk producers and for the domestic dairy industry, and by April 2014 adopted some resolutions which the industry had been lobbying for:

- Resolution of the Russian Government No. 256 of April 2, 2014, increased the period of subsidized investment loans from 8 to 15 years, and increased the level of subsidized interest rates from 80 percent to 100 percent (<http://government.ru/docs/11506>); and,
- Government Resolution No. 115 of February 17, 2014, expanded the list of agricultural equipment for which equipment producers can receive federal subsidies (15 percent of the cost of production and sales price of equipment). In addition, milking equipment, storage and transportation equipment for milk were added to the list of eligible equipment (<http://government.ru/docs/10672>).

However, the government has, thus far, not increased federal funds to cover the additional subsidies for interest rates or for the cost of production/price of equipment. The increased support may possibly be made by re-distributing already approved federal funds. In addition, funding for all federal programs from the federal budget, including dairy industry support programs, are linked to regional programs (i.e., financing begins only if and when the relevant provincial "matching" program is adopted). This mandatory co-financing rule is aimed at increasing investments and increasing the responsibility of regional authorities for implementation of the programs. However, those provinces that do not have sufficient funds in their budgets for co-financing will be left without federal support.

For 2013, FAS/Moscow has revised its fluid milk production estimate based on year-end statistics published by the Russian statistics service (Rosstat). Russia produced 30.7 MMT of fluid milk in 2013 (nearly four percent less than what was produced in 2012). According to Rosstat, households still accounted for 48.3 percent of Russian fluid milk production in 2013 (the same as in 2012), while agricultural establishments accounted for 45.8 percent (down from 46.3 percent in 2012), and private farms accounted for 5.9 percent (up from 5.4 percent last year). The largest producing regions in Russia in 2013 remained the Republic of Tatarstan, the Republic of Bashkortostan, Altay Kray, and Krasnodar Kray (see chart 2).

Chart 2. Top 20 Milk Producing Regions in Russia in 2013, All Farm Types, 1,000 MT



Source: Rosstat

Table 1. Russia: Fluid Milk Supply and Distribution, 1,000MT

Dairy, Milk, Fluid	Russia	2012		2013		2014	
		Market Year Begin: Jan 2012		Market Year Begin: Jan 2013		Market Year Begin: Jan 2014	
		USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Cows In Milk		8,600	8,600	8,515	8,425	8,450	8,200
Cows Milk Production		31,917	31,831	31,400	30,661	31,400	30,500
Total Production		31,917	31,831	31,400	30,661	31,400	30,500
Other Imports		320	324	330	316	335	330
Total Imports		320	324	330	316	335	330
Total Supply		32,237	32,155	31,730	30,977	31,735	30,830
Other Exports		5	20	5	27	5	30
Total Exports		5	20	5	27	5	30
Fluid Use Dom. Consum.		11,040	11,000	10,615	10,200	10,640	10,000
Factory Use Consum.		18,795	18,750	18,660	18,400	18,690	18,500
Feed Use Dom. Consum.		2,397	2,385	2,450	2,350	2,400	2,300
Total Dom. Consumption		32,232	32,135	31,725	30,950	31,730	30,800
Total Distribution		32,237	32,155	31,730	30,977	31,735	30,830

NOTE: Official USDA data is available at <http://www.fas.usda.gov/psdonline/psdHome.aspx>

Cheese

Despite a forecasted decrease in domestic milk production, FAS/Moscow has increased the 2014 cheese production forecast by nearly eight percent, to 460,000 MT (flat from revised 2013 production estimates), as dairy processors continue to take advantage of the market opportunities for high valued dairy products. Some traditional foreign cheese suppliers (e.g., Ukraine and Lithuania) have been largely restricted from the market, increasing domestic market opportunities for Russian cheese (see the trade section below for more information). Furthermore, as was the case in 2013, Russian cheese manufacturers are expected to continue to make use of imported fluid milk to partially supplement for reduced domestic supplies.

FAS/Moscow has revised 2013 production data for Russian domestic cheese upwards by nearly one percent based on information collected from industry sources.

Table 2. Russia: Cheese Supply and Distribution, 1,000 MT

Dairy, Cheese Russia	2012		2013		2014	
	Market Year Begin: Jan 2012		Market Year Begin: Jan 2013		Market Year Begin: Jan 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Beginning Stocks	12	12	12	12	8	8
Production	446	446	455	460	425	460
Other Imports	356	356	360	364	385	355
Total Imports	356	356	360	364	385	355
Total Supply	814	814	827	836	818	823
Other Exports	10	13	10	16	10	15
Total Exports	10	13	10	16	10	15
Human Dom. Consumption	792	789	805	812	798	798
Other Use, Losses	0	0	0	0	0	0
Total Dom. Consumption	792	789	805	812	798	798
Total Use	802	802	815	828	808	813
Ending Stocks	12	12	12	8	10	10
Total Distribution	814	814	827	836	818	823

NOTE: Official USDA data is available at <http://www.fas.usda.gov/psdonline/psdHome.aspx>

Butter

FAS/Moscow has increased the forecast for 2014 Russian butter production by 12.5 percent, to 225,000 MT (flat from revised 2013 production estimates). According to industry sources, 2013 Russian butter production was higher than previous FAS/Moscow estimates (220,000 MT from January-November 2013). Given the continued availability of imported milk, FAS/Moscow believes it is not unrealistic for 2014 production levels to match levels in 2013.

Table 3. Russia: Butter Supply and Distribution, 1,000 MT (butter-equivalent)

Dairy, Butter Russia	2012		2013		2014	
	Market Year Begin: Jan 2012		Market Year Begin: Jan 2013		Market Year Begin: Jan 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Beginning Stocks	12	12	10	10	10	10
Production	216	216	205	225	200	225
Other Imports	119	119	145	136	150	145
Total Imports	119	119	145	136	150	145
Total Supply	347	347	360	371	360	380
Other Exports	2	2	2	3	2	4
Total Exports	2	2	2	3	2	4
Domestic Consumption	335	335	348	358	348	366
Total Use	337	337	350	361	350	370
Ending Stocks	10	10	10	10	10	10
Total Distribution	347	347	360	371	360	380

NOTE: Official USDA data is available at <http://www.fas.usda.gov/psdonline/psdHome.aspx>

Whole Milk Powder (WMP) and Non-Fat Dry Milk (NFDM)

Total 2014 Russian production of NFDM and WMP is forecast to remain flat (as a result of reduced domestic milk production and, in the case of WMP, a forecasted increase in imports). As previously reported, despite having well-equipped production facilities with modern technologies and sufficient experience to be able to produce high quality dried whole and skim milk, Russian producers of ice cream, yogurt, cottage cheese, and infant formula reportedly prefer higher quality imported milk powder over those that are produced domestically.

FAS/Moscow has left its 2013 production estimates for WMP and NFDM unchanged.

Table 4. Russia: Whole Milk Powder (WMP) Supply and Distribution, 1,000 MT

Dairy, Dry Whole Milk Powder Russia	2012		2013		2014	
	Market Year Begin: Jan 2012		Market Year Begin: Jan 2013		Market Year Begin: Jan 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Production	67	67	65	65	60	60
Other Imports	28	28	30	44	50	52
Total Imports	28	28	30	44	50	52
Total Supply	95	95	95	109	110	112
Other Exports	2	2	2	1	2	1
Total Exports	2	2	2	1	2	1
Human Dom. Consumption	93	93	93	108	108	111
Total Dom. Consumption	93	93	93	108	108	111
Total Use	95	95	95	109	110	112
Total Distribution	95	95	95	109	110	112

NOTE: Official USDA data is available at <http://www.fas.usda.gov/psdonline/psdHome.aspx>

Table 5. Russia: Non-Fat Dry Milk (NFDM) Supply and Distribution, 1,000 MT

Dairy, Milk, Nonfat Dry Russia	2012		2013		2014	
	Market Year Begin: Jan 2012		Market Year Begin: Jan 2013		Market Year Begin: Jan 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Production	57	57	50	50	50	50
Other Imports	96	96	130	131	140	130
Total Imports	96	96	130	131	140	130
Total Supply	153	153	180	181	190	180
Other Exports	0	0	0	3	0	3
Total Exports	0	0	0	3	0	3
Human Dom. Consumption	153	153	180	178	190	177
Total Dom. Consumption	153	153	180	178	190	177
Total Use	153	153	180	181	190	180
Total Distribution	153	153	180	181	190	180

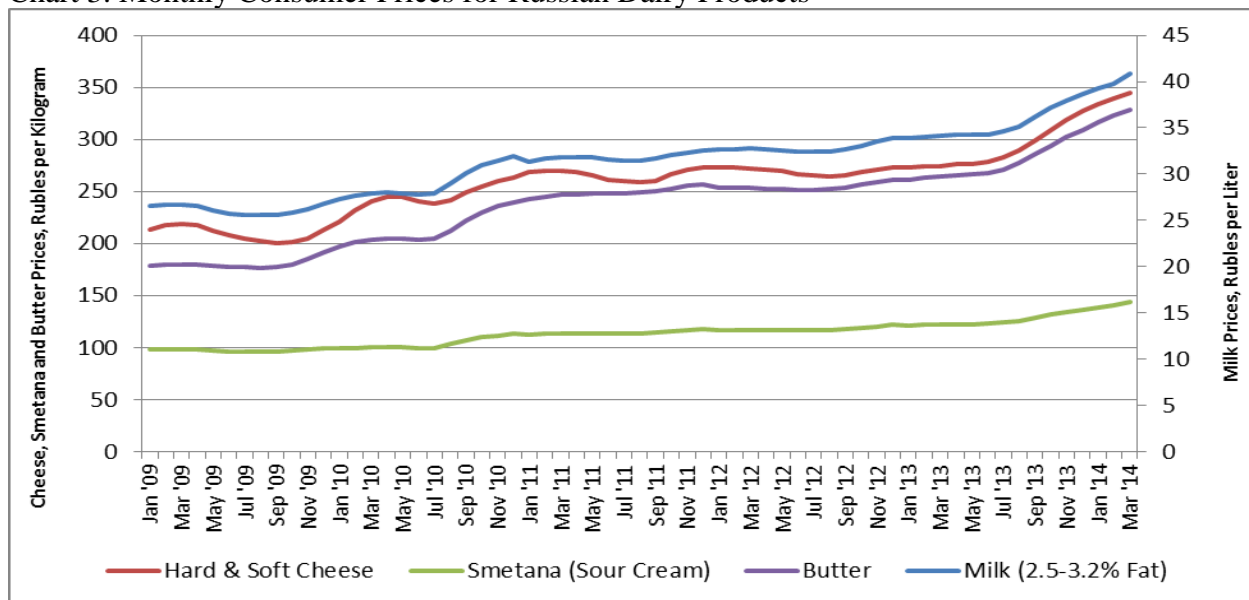
NOTE: Official USDA data is available at <http://www.fas.usda.gov/psdonline/psdHome.aspx>

Consumption

FAS/Moscow has decreased the 2014 forecasts for fluid milk domestic consumption as a result of an anticipated reduction in fluid milk production and slightly higher prices (0.5 percent less than revised consumption data for 2013). However, consumption for processed dairy products (e.g., flavored milk drinks, dairy-based deserts, certain yogurt, and certain cheeses) is expected to remain relatively strong as an expanding middle class leads to a greater diversity of tastes and preferences. Price increases are expected to continue with increased demand for fluid milk for processing into high-valued products on top of continued declines in domestic milk production. While imports should offset some of the production declines, total supplies are still forecast to be marginally lower than they were in 2013.

In general, milk consumption fell slightly in 2013 as domestic production slowed and consumer prices for many products, including cheese, sour cream (smetana), butter, and fluid milk (2.5-3.2 percent fat), increased. The consumer price for fluid milk (2.5-3.2 percent fat) increased by nearly 8 percent, to an average of 35.39 rubles per liter in 2013. Likewise, the price for several traditional dairy products also increased (e.g., 7.5 percent for hard and soft cheese – to 289.73 rubles/kg, 7.2 percent for sour cream (smetana) – to 126 rubles/kg, and nearly 9 percent for butter – to 277.33 rubles/kg).

Chart 3. Monthly Consumer Prices for Russian Dairy Products



Source:

Rosstat

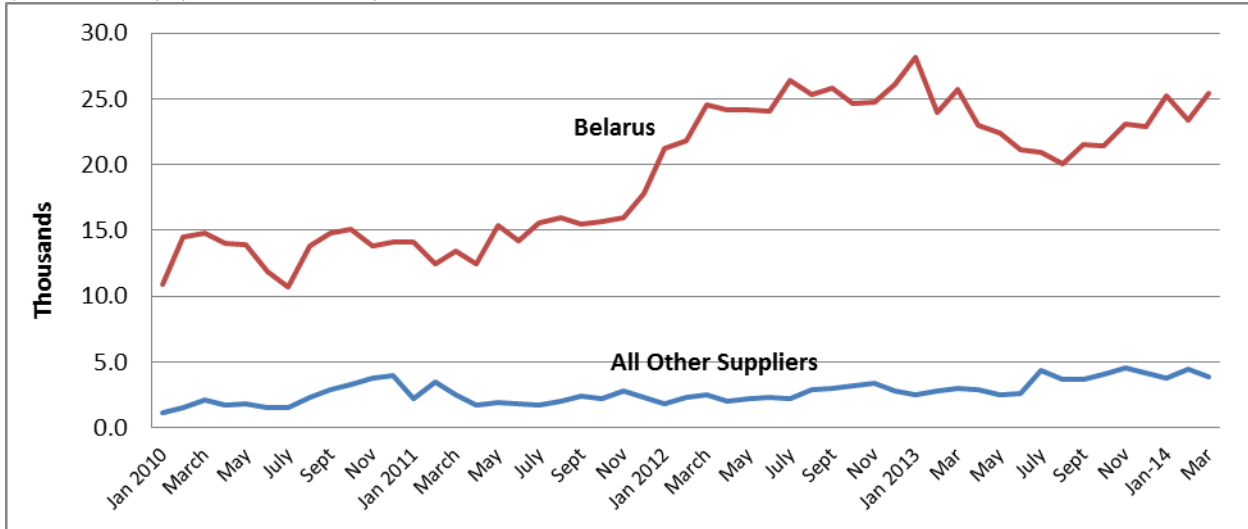
FAS/Moscow’s 2014 cheese consumption forecast is revised slightly downward because of an anticipated decrease in imports as a result of trade restrictions placed on several foreign suppliers (nearly two percent less than revised consumption figures for 2013). These trade restrictions should, however, benefit domestic cheese producers. According to Euromonitor, Valio St. Petersburg ZAO (Valio) accounted for the largest percentage of cheese sold in Russia in 2013 (slightly more than 8 percent). Valio was followed by Hochland Russland OOO (nearly 3.5 percent of sales), Wimm-Bill-Dann Produkty Pitania OAO (more than two percent), and Laktalis Vostok OOO (also slightly more than two percent of sales).

Trade

FAS/Moscow forecasts 2014 fluid milk imports to decrease slightly (nearly 1.5 percent) from previous estimates. However, compared to the revised 2013 import figures, FAS/Moscow forecasts an increase in 2014 fluid milk import volumes in the coming year (slightly more than four percent) as a result of a reduction in anticipated domestic milk production.

FAS/Moscow has decreased 2013 fluid milk import volumes by nearly four percent (to 315,570 MT) based on available year-end trade statistics. Russia imported nearly 2.5 percent less non-concentrated milk and cream in 2013 than it did in 2012, with the majority (nearly 87 percent, by volume) coming from Belarus. Despite still accounting for the lion’s share of Russian milk imports, the recent trend of month-on-month import growth from Belarus came to an end (see chart 4) as milk production in Belarus fell slightly (approximately 2.5 percent according to Belstat) during the first half of 2013 (rebounding somewhat in the latter half of the year).

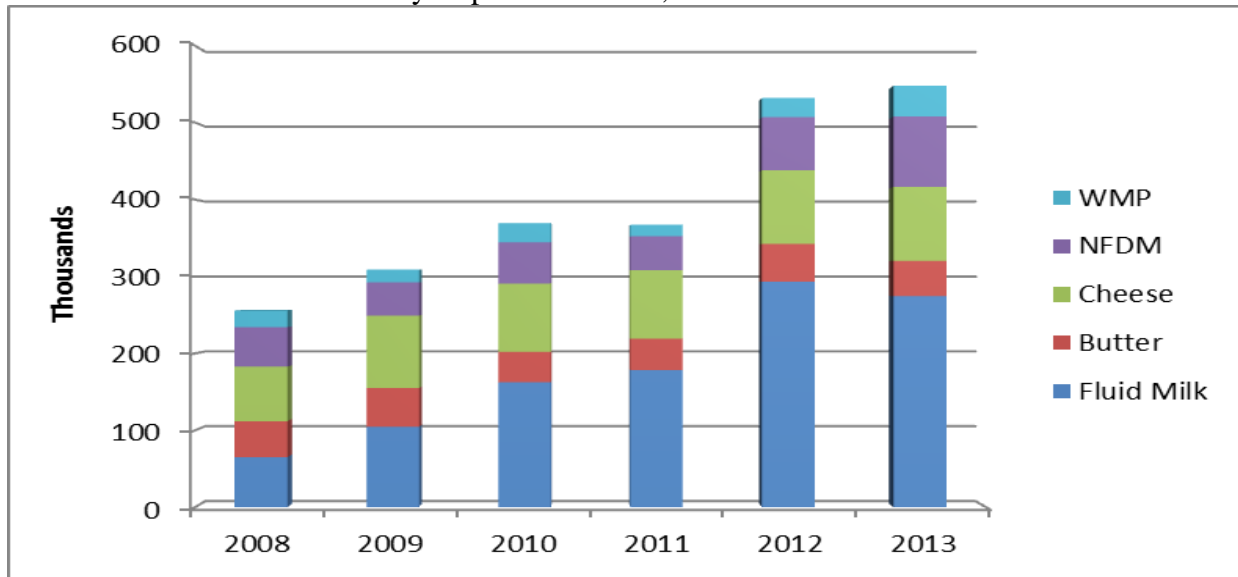
Chart 4. Comparison of Monthly Russian Fluid Milk Imports from Belarus and the Rest of the World (1,000 MTs) (HS Code 0401)



Source: Belstat and the Customs Committee of Russia

As was the case in 2012, the majority of Russia’s dairy imports continue to originate from Belarus. In 2013, Belarusian exports accounted for 87 percent of Russian fluid milk imports (down from 90 percent in 2012), 92 percent of Russian WMP imports (same as in 2012), and 70 percent of Russian NFDM imports (down from 72 percent in 2012).

Chart 5. Volume of Belarusian Dairy Exports to Russia, MTs



Source: Belstat

FAS/Moscow has decreased its 2014 forecast for Russian cheese imports by nearly eight percent as a result of the imposition of trade restrictions on several foreign establishments approved to supply cheese to Russia (e.g., several establishments in the Netherlands, Ukraine, Germany, and other countries). Despite restrictions on several establishments in some of the largest exporting countries, trade from

other countries -- which were not typically major suppliers of cheese to Russia in recent years -- was significantly higher in the first quarter of 2014 than in 2013 (e.g., Denmark – exports up 233 percent, and Argentina - exports up 486 percent).

For 2013, FAS/Moscow has finalized cheese import volumes (to 364,120 MT) based on now available year-end trade statistics. The majority of Russian imported cheese came from Belarus (26 percent), the Netherlands (14.5 percent), and Ukraine (13.6 percent).

With regard to butter, FAS/Moscow has decreased the 2014 import forecast, albeit only slightly, but still forecasts a year-on-year increase in imports (i.e., nearly 6.5 percent). Overall 2013 production levels were higher than previously anticipated, and it is not unreasonable to assume that 2014 production levels should be slightly less given the anticipated reduction in domestic fluid milk output. In addition to the increase in production, butter imports were up nearly 14 percent in the first quarter of 2014, compared to the same period last year, with exports from Argentina and Australia notably higher than they were during the same period last year.

For 2013, FAS/Moscow has reduced import volumes by nearly six percent (to 135,779 MT) based on now available year-end trade statistics. The majority of Russian imported butter came from Belarus (34 percent), New Zealand (18 percent), and Uruguay (12 percent).

FAS/Moscow has raised the WMP import forecasts for 2014 while leaving the NFDM forecast unchanged. In the first quarter of 2014, WMP imports were up significantly when compared to the same period in 2013 (industry analysts report some is being reconstituted), while imports of NFDM were lower than they were at the same time last year. In 2013, Russia imported 43,591 MT of WMP (nearly 60 percent more than was imported in 2012) and 130,555 MT of NFDM (36 percent more than was imported in 2012) of which, as noted above, Belarus accounted for 92 and 70 percent, respectively.

Policy

The NUMP is reportedly developing a draft federal support program through the year 2020 for the development of the Russian dairy industry. The program, as it is envisioned, will propose three support scenarios for the industry, and will be submitted for public comment and sent to the government for its consideration sometime this summer. The program could touch on ways to improve the investment attractiveness of the industry, propose ways to modify state support for the industry, and, among other things, propose ways to address price volatility.

For additional information, see:

[Customs Union Technical Regulation on Milk and Dairy Products – RS1382](#)

[2013 Dairy and Products Annual – RSATO1318](#)

[Eurasian Economic Commission Announces 2014 Meat Poultry Whey TRQs – RS1379](#)

Production Information

Table 6. Russian Fluid Milk Production (1,000 MT)

	2010	2011	2012	2013
Total Milk Production	31,847	31,646	31,830	30,661
Agricultural Establishments	14,313	14,400	14,752	14,048
Household Farms	16,050	15,725	15,359	14,808
Private Farms	1,484	1,525	1,719	1,805

Source: Rosstat

Table 7. Russian Annual Per-Cow Milk Production, Kilograms

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
All Farms	2502	2651	2797	2949	3037	3176	3356	3501	3595	3737	3776	3851	3898
Agricultural establishments	2341	2551	2802	2976	3065	3280	3564	3758	3892	4089	4189	4306	4521
Household farms	2687	2767	2812	2948	3043	3130	3249	3378	3456	3513	3510	3553	3489
Private farms	2253	2328	2401	2538	2565	2607	2642	2714	2746	3268	3291	3360	3372

Source: Rosstat

Table 8. Russian Quarterly Milk Production, All Types of Producers, 1999-2013, 1,000 MT

Year	Annual	Quarters			
		I	II	III	IV
1999	32,274	5,846	10,784	10,347	5,297
2000	32,259	5,861	10,646	10,323	5,429
2001	32,874	5,879	10,766	10,419	5,810
2002	33,462	6,240	10,813	10,352	6,057
2003	33,316	6,358	10,519	10,400	6,039
2004	31,861	6,149	10,081	9,844	5,787
2005	31,070	5,880	9,677	9,559	5,954
2006	31,339	5,946	9,552	9,633	6,208
2007	31,988	6,080	9,723	9,766	6,419
2008	32,363	6,218	9,814	9,835	6,496
2009	32,570	6,201	9,764	9,898	6,707
2010	31,847	6,270	9,610	9,573	6,394
2011	31,646	6,109	9,380	9,524	6,633
2012	31,831	6,434	9,480	9,502	6,415
2013	30,661	6,190	9,061	9,154	6,256

Source: Rosstat

Table 9. 2012-2013 Russian Fluid Milk Production, by Region, 1,000MT

	All Farms		
	2012	2013	2013/2012 Percent Difference
RUSSIAN FEDERATION	31830.9	30660.7	96.3
<i>CENTRAL DISTRICT</i>	<i>5784.1</i>	<i>5509.1</i>	<i>95.2</i>
Belgorod region	557.7	542.7	97.3
Bryansk region	350.7	332.2	94.7
Vladimir region	359.7	347.6	96.6
Voronezh region	742.4	755.7	101.8
Ivanovo region	163.3	153.2	93.8
Kaluga region	234.0	219.7	93.9
Kostroma region	121.0	111.2	91.9
Kursk region	394.2	367.5	93.2
Lipetsk region	275.1	253.3	92.1
Moscow region	693.0	642.4	92.7
Orel region	229.3	217.4	94.8
Ryazan region	370.5	355.9	96.1
Smolensk region	325.8	298.0	91.5
Tambov region	221.1	221.7	100.3
Tver region	250.8	225.4	89.9
Tula region	192.9	173.1	89.7
Yaroslavl region	261.1	262.3	100.5
City of Moscow	41.6	30.0	72.0
<i>NORTHWEST DISTRICT</i>	<i>1776.0</i>	<i>1681.8</i>	<i>94.7</i>
The Republic of Karelia	65.6	62.9	95.8
The Republic of Komi	61.7	57.3	92.9
Arkhangelsk region	121.6	115.8	95.3
Nenets Autonomous District	3.2	3.1	95.5
Vologda region	461.9	429.9	93.1
Kaliningrad region	148.6	149.6	100.6
Leningrad Region	569.7	554.0	97.2
Murmansk region	27.9	27.2	97.5
Novgorod region	97.8	87.8	89.8
Pskov region	221.1	197.3	89.2
<i>SOUTHERN DISTRICT</i>	<i>3374.4</i>	<i>3304.9</i>	<i>97.9</i>
The Republic of Adygea	112.7	113.9	101.0
The Republic of Kalmykia	102.2	91.2	89.3
Krasnodar region	1389.2	1318.6	94.9
Astrakhan region	170.1	171.3	100.7
Volgograd region	521.2	531.2	101.9
Rostov region	1078.9	1078.6	100.0
<i>NORTH-CAUCUS FEDERAL DISTRICT</i>	<i>2639.5</i>	<i>2664.9</i>	<i>101.0</i>
The Republic of Dagestan	732.6	754.1	102.9
The Republic of Ingushetia	75.4	67.9	90.1
Kabardino-Balkaria	444.5	451.3	101.5
Karachay-Cherkessia	238.5	241.0	101.1

Republic of North Ossetia-Alania	222.0	217.0	97.7
Chechen Republic	261.2	260.6	99.8
Stavropol region	665.3	673.0	101.2
<i>VOLGA FEDERAL DISTRICT</i>	<i>10024.6</i>	<i>9610.9</i>	<i>95.9</i>
The Republic of Bashkortostan	1710.1	1711.8	100.1
The Republic of Mari El	197.5	194.3	98.4
The Republic of Mordovia	467.5	452.4	96.8
The Republic of Tatarstan	1883.0	1721.6	91.4
Udmurt Republic	711.2	712.5	100.2
Chuvash Republic	457.6	422.2	92.3
Perm	484.9	460.1	94.9
Kirov region	534.9	525.0	98.2
Nizhny Novgorod region	611.7	611.8	100.0
Orenburg region	829.4	814.2	98.2
Penza region	486.0	469.6	96.6
Samara region	418.8	421.4	100.6
Saratov region	964.4	826.4	85.7
Ulyanovsk region	267.5	267.6	100.0
<i>URAL FEDERAL DISTRICT</i>	<i>2077.9</i>	<i>2025.3</i>	<i>97.5</i>
Kurgan region	354.1	343.5	97.0
Sverdlovsk region	605.9	609.4	100.6
Tyumen Region	593.2	574.9	96.9
Khanty-Mansi Autonomous District Yugra	24.1	25.9	107.4
Yamal-Nenets Autonomous District	2.1	2.0	96.8
Chelyabinsk region	524.8	497.5	94.8
<i>SIBERIAN FEDERAL DISTRICT</i>	<i>5582.8</i>	<i>5303.9</i>	<i>95.0</i>
Altai Republic	92.1	92.6	100.5
The Republic of Buryatia	227.9	225.8	99.1
The Republic of Tuva	62.1	62.6	100.9
The Republic of Khakassia	192.0	190.3	99.1
Altay	1444.1	1364.0	94.5
Trans-Baikal Territory	327.7	335.8	102.5
Krasnoyarsk Territory	726.9	707.5	97.3
Irkutsk Region	451.7	457.5	101.3
Kemerovo region	382.5	369.9	96.7
Novosibirsk region	713.1	655.6	91.9
Omsk Region	797.6	696.9	87.4
Tomsk region	165.2	145.4	88.0
<i>FAR EAST FEDERAL DISTRICT</i>	<i>571.8</i>	<i>559.9</i>	<i>97.9</i>
The Republic of Sakha (Yakutia)	177.6	170.3	95.9
Kamchatka	17.0	17.2	100.8
Primorsky Krai	113.2	120.2	106.2
Khabarovsk Krai	50.6	47.6	94.1
Amur Region	161.8	157.1	97.1
Magadan region	5.9	5.9	100.1
Sakhalin Region	25.8	26.2	101.6
Jewish Autonomous Region	19.9	15.4	77.5
Chukotka Autonomous District	0.04	0.03	77.7

Source: Rosstat

Table 10. 2014 Russian Federal Milk Subsidies, by Region, in Rubles and U.S. dollars

Region	1,000 Rubles	USD
Russian Federation	8,424,068.00p.	\$240,687,657.14
Krasnodar Krai	511,354.70p.	\$14,610,134.29
Rep. of Tatarstan	476,574.40p.	\$13,616,411.43
Kirov Oblast	406,702.70p.	\$11,620,077.14
Rep. of Udmurtia	346,124.90p.	\$9,889,282.86
Altai Krai	338,967.00p.	\$9,684,771.43
Rep. of Bashkortostan	326,433.00p.	\$9,326,657.14
Leningrad Oblast	319,185.50p.	\$9,119,585.71
Moscow Oblast	316,813.40p.	\$9,051,811.43
Vladimir Oblast	311,930.40p.	\$8,912,297.14
Voronezh Oblast	286,195.30p.	\$8,177,008.57
Vologda Oblast	275,365.90p.	\$7,867,597.14
Belgorod Oblast	240,117.90p.	\$6,860,511.43
Nizhegorod Oblast	231,780.10p.	\$6,622,288.57
Rep. of Dagestan	225,724.10p.	\$6,449,260.00
Omsk Oblast	194,496.20p.	\$5,557,034.29
Sverdlovsk Oblast	187,394.80p.	\$5,354,137.14
Novosibirsk Oblast	177,626.00p.	\$5,075,028.57
Perm Krai	166,620.30p.	\$4,760,580.00
Rep. of Mordovia	165,945.60p.	\$4,741,302.86
Bryansk Oblast	158,808.80p.	\$4,537,394.29
Yaroslavl Oblast	139,101.50p.	\$3,974,328.57
Ryazan Oblast	131,938.30p.	\$3,769,665.71
Krasnoyarskiy Krai	131,645.90p.	\$3,761,311.43
Kemerov Oblast	128,200.70p.	\$3,662,877.14
Rostov Oblast	118,431.50p.	\$3,383,757.14
Penza Oblast	110,127.70p.	\$3,146,505.71
Lipetsk Oblast	106,960.70p.	\$3,056,020.00
Orlov Oblast	92,541.00p.	\$2,644,028.57
Rep. of Khabardino-Balkarskaya	91,302.60p.	\$2,608,645.71
Kaluga Oblast	89,610.50p.	\$2,560,300.00
Arhanghelsk Oblast	86,871.50p.	\$2,482,042.86
Saratov Oblast	81,808.80p.	\$2,337,394.29
Kursk Oblast	78,338.10p.	\$2,238,231.43
Pskov Oblast	77,875.00p.	\$2,225,000.00
Stavropol Krai	75,367.70p.	\$2,153,362.86
Rep. of Karachaevo-Cherkesskaya	73,151.50p.	\$2,090,042.86
Smolensk oblast	71,823.80p.	\$2,052,108.57

Irkutsk Oblast	71,205.40p.	\$2,034,440.00
Orenburg Oblast	70,890.80p.	\$2,025,451.43
Chelyabinsk Oblast	61,135.90p.	\$1,746,740.00
Tver Oblast	60,945.60p.	\$1,741,302.86
Tyumen Oblast	59,226.30p.	\$1,692,180.00
Rep. of Chuvashia	58,620.50p.	\$1,674,871.43
Volgograd Oblast	56,780.60p.	\$1,622,302.86
Ivanov Oblast	56,264.10p.	\$1,607,545.71
Tula Oblast	53,841.60p.	\$1,538,331.43
Kostroma Oblast	53,722.80p.	\$1,534,937.14
Samara Oblast	47,249.00p.	\$1,349,971.43
Rep. of North Ossetia - Alaniya	40,297.80p.	\$1,151,365.71
Kaliningrad Oblast	38,451.00p.	\$1,098,600.00
Rep. of Karelia	36,583.80p.	\$1,045,251.43
Ulyanovsk Oblast	34,959.40p.	\$998,840.00
Rep. of Mari-El	33,178.80p.	\$947,965.71
Kurgan Oblast	30,404.60p.	\$868,702.86
Tomsk Oblast	30,319.20p.	\$866,262.86
Novgorod Oblast	25,513.40p.	\$728,954.29
Tambov Oblast	23,567.70p.	\$673,362.86
Amur Oblast	18,844.80p.	\$538,422.86
Primorskiy Kray	17,637.50p.	\$503,928.57
Rep. of Khakasia	13,057.50p.	\$373,071.43
Khabarovsk Kray	12,418.60p.	\$354,817.14
Rep. of Komi	12,232.10p.	\$349,488.57
Rep. of Altai	8,838.70p.	\$252,534.29
Rep. of Saha (Yakutia)	8,408.90p.	\$240,254.29
Rep. of Buryatiya	6,926.40p.	\$197,897.14
Murmansk Oblast	6,743.20p.	\$192,662.86
Astrakhan Oblast	5,299.40p.	\$151,411.43
Sakhalin Oblast	3,997.50p.	\$114,214.29
Rep. of Adigia	3,847.10p.	\$109,917.14
Kamchatka Kray	2,898.10p.	\$82,802.86
Zabaikalsky Kray	2,771.30p.	\$79,180.00
Rep. of Chechnya	2,413.30p.	\$68,951.43
Rep. of Tuva	1,915.90p.	\$54,740.00
Khanti-Mansisk Autonomous District - South	1,847.30p.	\$52,780.00
Jewish Autonomous Oblast	926.30p.	\$26,465.71
Rep. of Ingushetiya	315.80p.	\$9,022.86
Yamalo-Nenetsk Autonomous District	275.50p.	\$7,871.43
Magadan Oblast	25.80p.	\$737.14

Rep. of Kalmykia	10.90p.	\$311.43
------------------	---------	----------

Source: http://government.ru/dep_news/12416

NOTE: Exchange Rate: 35 Russian Rubles = 1 U.S. dollar

Trade Tables

Table 11. Russian Annual Imports of Dairy Products (2009-2013), MT

	Calendar Year					Year on Year Percent Change
	2009	2010	2011	2012	2013	
Cheese (040620, 040630, 040640, 040690)						
World	205312	264441	254769	261846	268088	2.38
Belarus*	94052	88886	88873	95404	96032	0.66
Total	299364	353327	343642	357250	364120	1.92
Butter (040510, 040590)						
World	54033	72088	73443	67994	89843	32.13
Belarus*	50368	39730	40755	49478	45936	-7.16
Total	104401	111818	114198	117472	135779	15.65
WMP (040221, 040229)						
World	4582	14736	5319	2310	3617	56.60
Belarus*	16845	25166	14871	25005	39974	59.86
Total	21427	39902	20190	27315	43591	59.59
NFDM (040210)						
World	7973	62819	27179	26695	38800	45.34
Belarus*	43306	53507	44238	69140	91755	32.71
Total	51279	116326	71417	95835	130555	36.23
Milk And Cream, Not Concentrated (0401)						
World	13132	27570	27140	30985	41111	32.68
Belarus*	104721	162363	178503	293107	274459	-6.36
Total	117853	189933	205643	324092	315570	-2.63

Source: Customs Commission of Russia (* Belarusian exports to Russia as reported by Belstat)

Table 12. Russian Imports of Milk and Cream, Not Concentrated Nor Containing Added Sweetening (0401)

Annual Series: 2009 – 2013 and YTD March 2013 and 2014, MT

Partner Country	Calendar Year					Year To Date		
	2009	2010	2011	2012	2013	03/2013	03/2014	%Change
World	13132	27570	27140	30985	41111	8460	12134	43.43
EU-27	13118	27482	27128	30904	36766	8458	12061	42.60
<i>Finland</i>	6541	8684	13479	15867	17815	4602	5701	23.9
<i>Estonia</i>	1732	9899	4454	5101	8390	1697	1159	-31.70
<i>Poland</i>	444	2119	755	1077	3816	433	1592	267.30
<i>France</i>	1621	2045	2534	3105	3408	593	62	-89.56

Table Source: Global Trade Atlas

*Excluding Belarus

Table 13. Russian Imports of Cheese (040620, 040630, 040640, 040690),

Annual Series: 2009 - 2013 and YTD March 2013 and 2014, MT

Partner Country*	Calendar Year					Year To Date		
	2009	2010	2011	2012	2013	03/2013	03/2014	%Change
World	205312	264441	254769	261846	268088	57760	59090	2.30
EU-27	136350	189962	178396	199406	210272	46549	48108	3.35
<i>Netherlands</i>	16426	24509	29137	34210	52657	7966	8438	5.93
<i>Germany</i>	44338	74857	54235	58114	37658	11059	7552	-31.71
<i>Finland</i>	23599	29507	30936	28526	32757	7667	7633	-0.44
<i>Poland</i>	5864	13755	11429	20594	25966	5424	6859	26.45
<i>Lithuania</i>	23715	22845	26511	28708	24182	6969	8306	19.19
Ukraine	61567	66408	68395	54918	49517	9362	6761	-29.81

Table Source: Global Trade Atlas

*Excluding Belarus

Table 14. Russian Imports of Butter (040510, 040590)

Annual Series: 2009 - 2013 and YTD March 2013 and 2014, MT

Partner Country	Calendar Year					Year To Date		
	2009	2010	2011	2012	2013	03/2013	03/2014	%Change
World	54033	72088	73443	67994	89843	25097	31526	25.62
EU-27	20982	32846	26887	22546	28717	7498	8650	15.36
<i>Finland</i>	12604	11910	11715	11069	11295	3899	2983	-23.48
<i>France</i>	2482	5132	4936	4548	5744	1382	1931	39.69
New Zealand	26371	27111	30550	21715	23882	8876	5159	-41.88
Uruguay	879	2033	5271	12350	16430	4475	3702	-17.28
Argentina	3150	3044	5082	6361	10310	1003	3779	276.65
Australia	1760	3237	3756	4348	9268	3225	9491	194.31

Table Source: Global Trade Atlas

*Excluding Belarus

Table 15. Russian Imports of WMP (040221, 040229)
Annual Series: 2009 - 2013 and YTD March 2013 and 2014, MT

Partner Country	Calendar Year					Year To Date		
	2009	2010	2011	2012	2013	03/2013	03/2014	%Change
World	4582	14736	5319	2310	3617	431	2381	452.58
EU-27	3944	6460	2811	807	2212	288	1150	299.31
<i>Belgium</i>	780	1948	275	150	657	50	430	766.80
<i>France</i>	786	1477	68	73	517	15	61	313.56
<i>Finland</i>	460	501	126	25	355	15	6	-62.50
<i>Poland</i>	62	62	5	4	222	1	532	--
<i>Portugal</i>	45	304	122	243	168	103	121	17.60
Argentina	200	2614	725	503	390	65	681	947.69
Armenia	0	0	0	0	302	--	--	--
Australia	0	201	361	277	79	0	153	--
New Zealand	0	46	342	252	78	78	0	--
Ukraine	439	3285	456	417	5	--	--	--

Table Source: Global Trade Atlas
*Excluding Belarus

Table 16. Russian Imports of NFD (040210)
Annual Series: 2009 - 2013 and YTD March 2013 and 2014, MT

Partner Country	Calendar Year					Year To Date		
	2009	2010	2011	2012	2013	03/2013	03/2014	%Change
World	7973	62819	27179	26695	38800	5408	5324	-1.56
EU-27	7198	50745	19024	11797	19873	3742	3318	-11.33
<i>France</i>	2093	15304	4729	2350	6381	1175	509	-56.69
<i>Poland</i>	476	8574	270	1216	2774	416	157	-62.38
<i>Belgium</i>	60	5550	695	362	2587	140	390	178.57
<i>Finland</i>	1625	4357	4711	3180	2533	450	529	17.56
Argentina	0	2696	504	1260	8111	504	983	95.00
Ukraine	0	1498	5674	10745	5619	220	160	-27.27
Uruguay	0	0	0	2000	3950	850	700	-17.65

Table Source: Global Trade Atlas
*Excluding Belarus

Table 17. Belarusian Dairy Exports to Russia, March 2013 and 2014, MT

	January through March		Percent Change
	2013	2014	
Cheese (040620, 040630, 040640, 040690)			
Belarus	22694	22940	1.08
Butter (040510, 040590)			
Belarus	10592	9507	-10.24
WMP (040221, 040229)			
Belarus	8084	8331	3.06
NFDM (040210)			
Belarus	21511	18488	-14.06
Milk And Cream, Not Concentrated (0401)			
Belarus	77902	74014	-4.99

Source: Belstat

Table 18. Russian Annual Exports of Dairy Products to Customs Union Member States (2011-2013), MT (NOTE: Includes Products that are Not Reported in the PSDs)

	Calendar Year		
	2011	2012	2013
Milk And Cream (0401)			
Kazakhstan	16894.2	19912	26723
Belarus	329	556	991
Total	17223.2	20467	27714
Milk and Cream Concentrated and Dried (0402)			
Kazakhstan	25579.7	25023	28350
Belarus	483.6	1586	1855
Total	26063.3	26609	30206
Buttermilk, Yogurt & Kefir (0403)			
Kazakhstan	26529.8	29245	34310
Belarus	9097.6	11867	16580
Total	35267.4	41111	50889
Whey (0404)			
Kazakhstan	136.5	561	770
Belarus	568.8	1309	3181
Total	705.4	1870	3951
Butter (0405)			
Kazakhstan	1792.7	1702	2403
Belarus	220.6	416	332
Total	2013.2	2117	2735
Cheese (including Cottage Cheese) (0406)			
Kazakhstan	9710.2	10055	11468
Belarus	2491.5	2822	4134
Total	12201.7	12877	15602

Source: Eurasian Economic Commission -

http://www.eurasiancommission.org/ru/act/integr_i_makroec/dep_stat/trade/vzaim_stat/Pages/default.aspx