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## Russian Federation

**Post:** Moscow

### Soybean Meal Import Duty Fixed at 5 Percent

**Report Categories:**

Oilseeds and Products

Trade Policy Monitoring

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**Report Highlights:**

Resolution #1019 of December 16, 2009, replaced the expired temporary 5 percent import duty on soybean meal with a 5 percent permanent one. The duty covers contracts initiated December 6, 2009. This duty equals the newly established Customs Union duty on soybean meal.

**General Information:**

The Government Resolution #1019 of December 16 “On Approval of Soybean Meal Import Custom Duty” fixed the import duty on soybean meal (Customs Code 2304 00 000 1) at 5 percent of customs value. The Resolution comes to force on December 21, 2009, the day of its publication in Rossiyskaya Gazeta, but applies to legal relations created beginning December 6, 2009. The 5 percent import duty, as temporary, was in force from March 6 to December 6, 2009 (9 months) in accord with the Russian Government Resolution #70 of January 31, 2009 (GAIN report RS9005 \_ Oilseeds and Products \_ New 5 Percent Import Duty on Soybean Meal).

The 5 percent import duty on soybean meal was initiated by the Russian oilseeds crushers, particularly company Sodruzhestvo, which has been rapidly increasing imports and crushing of soybeans in Russia since 2008. This duty has been agreed upon within the Customs Union (Russia, Belarus, Kazakhstan) in November 2009. The 5 percent soybean meal import duty has affected imports of soybean meal, and according to some analysts, led to monopolization of Russia’s soybean meal market by one company, and limited Russian feed consumers’ choice of soybean meal. Meantime, Russia’s duty free imports of soybeans have increased along with rapidly increasing domestic crushing. Argentina and Brazil, the major suppliers of cheap soybean meal to Russia, were mostly affected by 5 percent import duty, but Brazil compensated it by increasing its duty-free soybean shipments to Russia. In order to facilitate the soybean trade, Russia has recently signed a phytosanitary-veterinary agreement on shipments of soybeans from Brazil to Russia (GAIN report RS9078 \_ Market Promotion/Competition, Oilseeds and Products, Grain and Feed \_ Russia Updated Phytosanitary Memorandums with Brazil).

The table below shows changes in Russia’s imports of soybeans and soybean meal.

Table 1. Russia’s Imports of Soybeans and Soybean Meal, Metric Tons

	Sep 04- Aug 05	Sep 05- Aug 06	Sep 06- Aug 07	Sep 07- Aug 08	Sep 08- Aug 09	Sep 09- Nov 09	Sep 08- Nov 08
Soybeans							
TOTAL	39,718	2,315	34,467	441,676	836,701	230,096	161,264
- Paraguay	0	0	0	27,231	381,700	102,810	55,190
- Brazil	33,685	0	32,054	380,015	350,225	100,198	106,053
- Canada	3,537	1,413	1,893	0	40,938	25,878	0
- Uruguay	0	0	0	0	27,498	0	0
- United States	25	20	81	236	25,909	0	0
- Ukraine	715	418	335	32,942	9,102	1,017	0
- Moldova	777	0	0	867	1,207	193	0
- Austria	49	55	62	271	85	0	19
- France	0	0	19	59	22	0	0
- Tajikistan	2	0	0	1	13	0	1
- Other	928	409	23	54	3	1	0
Soybean Meal							
TOTAL	524,633	602,667	810,413	785,162	473,176	103,941	190,819
- Argentina	224,237	334,157	559,399	461,602	220,176	46,343	101,455
- Netherlands	104,789	131,483	7,995	51,153	102,697	23,723	21,895
- Brazil	38,086	30,028	141,567	203,632	56,168	0	44,187
- Germany	37,978	51,375	25,179	14,826	48,538	12,708	3,664
- United States	38,180	29,251	35,859	36,837	24,717	19,649	16,895
- Norway	13,662	5,470	5,600	785	12,355	0	0
- Belgium	44,974	7,479	17,143	5,712	4,824	1,409	1,025
- China	6	3,575	8,875	6,691	2,189	108	1,307
- Kazakhstan	1,254	5,495	2,643	3,396	1,313	0	0
- India	5,524	1,697	5,995	448	159	0	0
- Other	15,943	2,656	158	80	40	0	392

Source: World Trade Atlas

**Text of Russian Government Resolution #1019 on Soybean Meal Import Duty**

Begin unofficial translation

**Resolution of the Government of the Russian Federation #1019 of December 16, 2009**  
**“On Approval of Soybean Meal Import Duty”**

The Government of the Russian Federation decrees the following:

1. As partial change to the Customs Tariff of the Russian Federation, approved by the Resolution of the Government of the Russian Federation #718 of November 27, 2006 “On the Customs Tariff of the Russian Federation and the Commodity Nomenclature for the Foreign Economic Activity” (Collection of legislative acts of the Russian Federation, 2006, #50, article 5341; 2009, #6, article 742), to approve the import customs duty on soybean meal (TN VED Code of the Russian Federation <sup>[1]</sup> 2304 00 000 1) at 5 percent of the customs value.  
For application of this import customs duty the commodity is defined exclusively by the TN VED Code of Russia. The name of commodity is given only for convenience of reference.
2. The present Resolution comes into force from the day of its official publication and applies to legal relations created as from the date of December 6, 2009.

Chairman of the Government  
Russian Federation

V. Putin

End translation

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<sup>[1]</sup> TN VED Code of Russia (Customs Nomenclature Code of the Foreign economic Activity of the Russian Federation) is close, but not identical to the US Customs' Harmonized Code Numbers (US HS Number)