

The Russian ban on agricultural products

SUMMARY

In response to the EU's economic sanctions against Russia in the context of the situation in Ukraine, a Russian ban on certain EU agri-food products has been in place since August 2014. The agricultural sectors most affected by the ban include dairy, fruit and vegetables and meat, reflecting products of which the EU has been an important supplier.

Since the ban, the EU has lost more than €5 billion per year of agri-food exports to Russia. This loss has been partially offset by the 6% increase in the overall value of EU agri-food exports in 2015 in comparison to 2014, with major gains in export values in the USA, China and other key markets. The effects of the ban are not distributed evenly across EU Member States, impacting more on those whose agri-food sector had been more closely connected with the Russian market.

In response to the ban, a set of actions have been pursued at EU level, ranging from specific market-support measures, including private storage aid, to actions aimed at promoting EU products either within or outside the EU. The European Commission has also intensified bilateral and regional trade negotiations to create new market opportunities. This includes actions to reduce market barriers in respect of sanitary and phytosanitary (SPS) measures.

Member States will decide later this year whether sanctions on Russia are to be renewed.



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Background

Starting from March 2014, the EU adopted a range of sanctions against Russia in response to Russian actions against Ukraine's sovereignty and territorial integrity. The sanctions have included travel bans, asset freezes, economic sanctions and sanctions against Crimea. In response, Russia adopted on 6 August 2014 a ban on selected agricultural products from the EU, the USA, Canada, Australia and Norway. The initial one-year ban comprised products from several sectors (see Box), covering meat, dairy, fruit and vegetables, as well as fish. Several processed food products were also covered, including malt extract and preparations containing flour and starch. On 25 June 2015, the ban was further [extended](#) until 6 August 2016. The extension included amendments to the [list of banned products](#) to exclude an additional type of trout fry as well as young oysters and mussels (spat). It further tightened the ban on dairy products by specifying that only specialised lactose-free products for therapeutic and preventive dietary nutrition are excluded.

On 31 July 2015, the Russian government issued a decree on the [destruction of banned food and agricultural products](#) already present in Russia. In August 2015, the [list of countries](#) which were the subject of the Russian agricultural ban was extended to include Iceland, Liechtenstein, Albania and Montenegro. Other trade measures were introduced against Ukraine and Turkey.

The current ban has not been the EU's first experience of Russian sanctions. As noted in a European Parliament [briefing](#) published at the end of July 2014, Russia had imposed an embargo on fruit and vegetable imports from Poland for sanitary reasons a few days after the EU and the United States had imposed financial and economic sanctions on Russia. In January 2014, Russia banned fresh and frozen EU pork from 1 February 2014, because African Swine Fever¹ (ASF) had been detected in wild boars in four isolated cases identified close to the border with Belarus. A commentary on EU-Russian trade relations has stated that the prohibition of imported agricultural products enforced by Russia in August 2014 '...can be seen as a continuation of an already familiar trend, although on a bigger scale'.² The [ban](#) on Polish meat over alleged health concerns between 2005 and 2007 was one such example.

EU agri-food products on Russia's import ban list

- meat and sausages (meat of bovine animals, swine, and poultry (whether fresh, chilled or frozen));
- dairy products: milk, cheese/skimmed milk powder, condensed milk and some food preparations containing milk components;
- vegetables and fruits: except prepared vegetables and fruits;
- fish and crustaceans.

EU agri-food exports to Russia

Scale and scope

The Commission's Directorate-General for Agriculture and Rural Development (DG AGRI) has compiled an [overview](#) of the Russian ban on EU agri-food products. Some of its key observations are as follows:

In 2013, Russia was the second most important destination for EU agri-food exports after the USA; representing approximately **€11.8 billion** in total, or 10% of all EU agri-food exports.

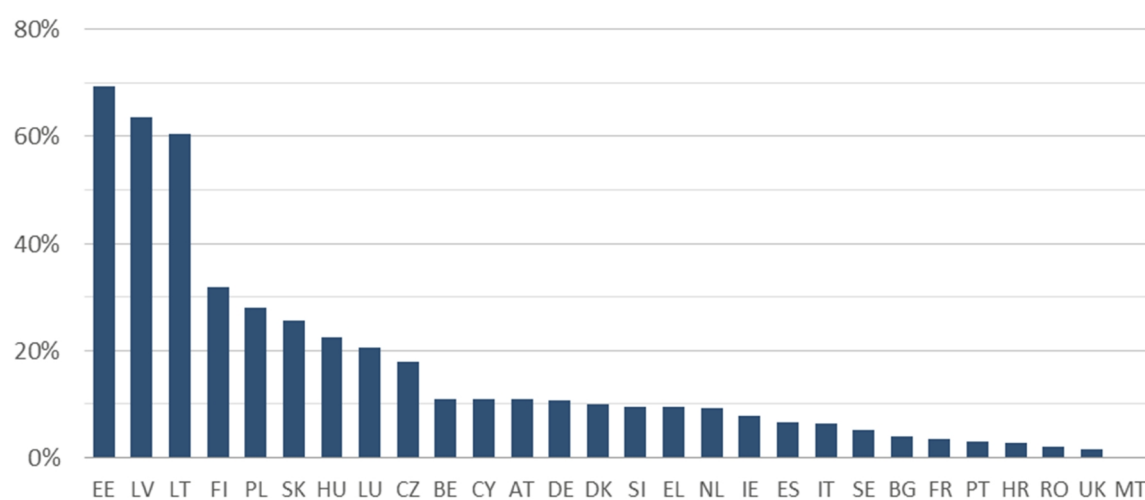
- The agri-food products covered by the Russian ban were worth **€5.1 billion** in 2013, or 43% of total EU agri-food exports to Russia for that year. (This estimate includes pork exports which have been blocked by Russia since early 2014 due to the few cases of African Swine Fever in wild boars as outlined above).

- Overall, the ban is estimated to have affected 4.2% of total EU agri-food exports. However, there is variation depending on the sector and Member State concerned.
- The sectors most affected include dairy products, fruit and vegetables, and meat.
- Before the ban, 29% of European exports of fruit and vegetables went to Russia; the figures for cheeses and butter were 33% and 28% respectively.

Analysis by Member State

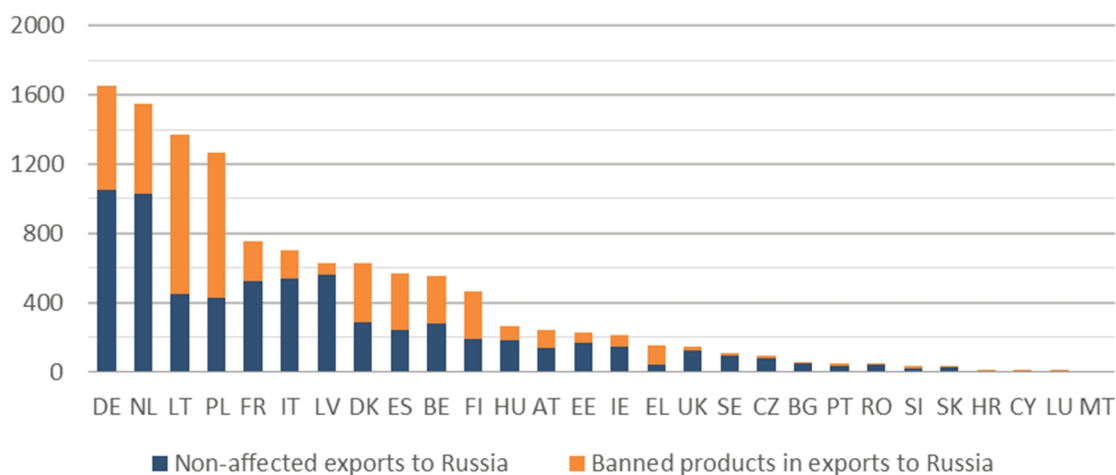
Figure 1 shows the proportion of agri-food exports to Russia for each Member State. The chart shows a group of countries where over 60% of agri-food exports went to Russia in 2013, namely Estonia (69%), Latvia (63%) and Lithuania (60%). In the same year, Finland, Poland, Slovakia, Hungary and Luxembourg exported between 20% and 32% of their agri-food products to Russia. For other EU Member States, the Russian market represented less than 20% of their agri-food exports.

Figure 1 – Share of agri-food exports to Russia in 2013 (%)



Data source: EPRS elaboration from Eurostat Comext database and [European Commission](#), 2013.

Figure 2 shows the share of banned products in exports to Russia for each of the EU-28 in 2013, thus providing some insight into the variation in the scale and significance of the ban among them. There are nine countries where the share of banned products in exports to Russia is 50% or above. While Lithuania and Poland figure again in terms of the significance of their exports to Russia, they are joined by other countries such as Greece, Finland, Spain, Denmark and Belgium. Banned products represented between 23% and 44% of exports to Russia for 11 countries in 2013, including Croatia (44%), Austria (42%); and Germany (36%).

Figure 2 – Share of banned products in exports to Russia in 2013 (million euros)

Data source: EPRS elaboration from Eurostat Comext database and [European Commission](#), 2013.

Sectoral analysis

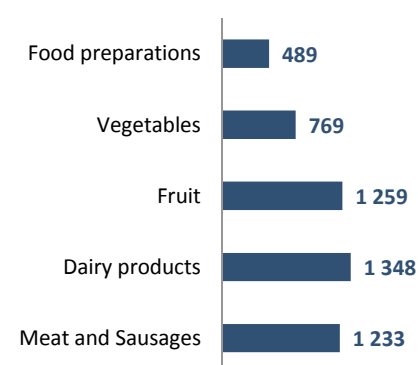
Using similar data from the European Commission on the groups of products most affected by the Russian ban for the period August 2013 to July 2014, a sectoral analysis is summarised in Figure 3.

Based on the monetary value of EU exports to Russia, Figure 3 provides a breakdown of exports of banned agri-food products to Russia by the most important product groups. The following points can be noted for each sector:

In respect of **meat**, the most significant exporters to Russia were Germany, Denmark, Poland and the Netherlands (based on the value of meat exports).

For **dairy products**, the most significant exporters to Russia were Finland, the Netherlands, Poland, Lithuania, Germany and Denmark. Together, this group of countries accounted for just over three quarters (77%) of EU dairy exports to Russia. Within this group, Finland accounted for around 26% of the total value of dairy exports to Russia.

- Regarding **fruit and vegetables**, the most significant exporters in value terms were Lithuania, Poland, Spain, Belgium and the Netherlands. This group accounted for virtually 91% of the value of fruit and vegetables to Russia. Lithuania accounted for nearly one third of the EU's fruit and vegetable exports to Russia, while the equivalent figure for Poland was close to 23% of total EU fruit and vegetable exports to Russia.

Figure 3 – Exports of banned agri-food products to Russia in 2013 (€ million).

Data source: Adapted from [European Commission](#), 2013.

Impact on EU exports

Scale and scope

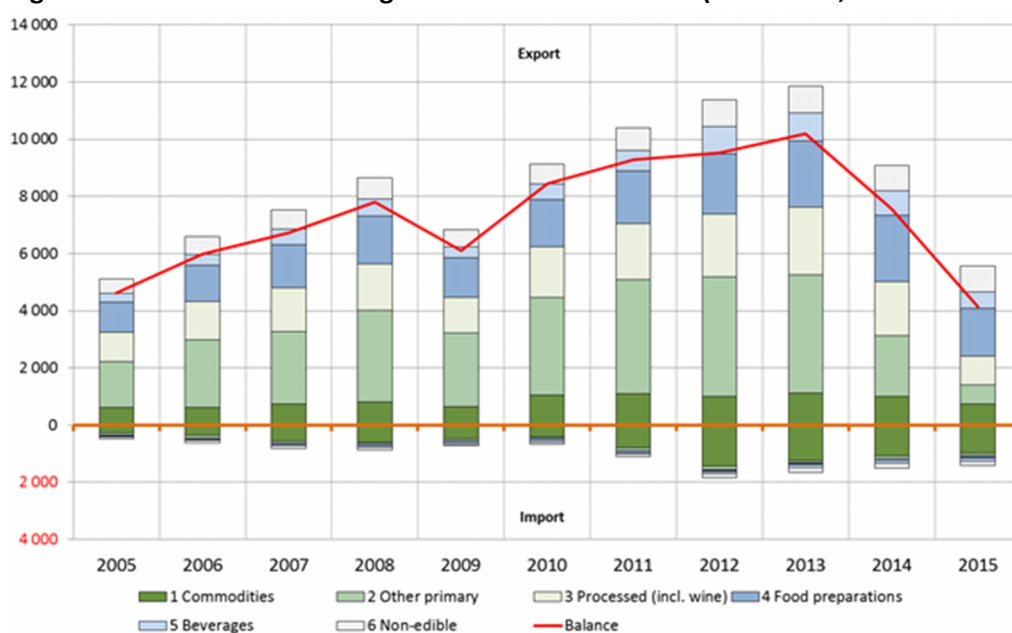
An EPRS [briefing](#) from October 2014, which analysed the impact of the ban, noted that Russia was the second most important destination for EU agricultural products. It stated that 'despite considerable values affected by the food ban, the impact on (overall) GDP was considered at the time modest for almost all EU countries 'as agriculture accounted for a decreasing and low part of the EU's GDP'.³ At the start of the Russian ban, the

Commission undertook a preliminary analysis of the main sectors affected. Its findings were published in an [information note](#) on 3 September 2014. Following a meeting with Member State experts it was agreed that the situation was most urgent for certain perishable vegetables. The Commission recognised that the restrictions imposed by the ban placed a serious pressure on European agriculture and food arising from the temporary loss of the Russian market. It felt that some sectors would be more heavily affected than others, with a possible cascade effect leading to over-supply in the internal market.

In a [memo](#) dated 3 September 2014, the Commission explained that it was too early to say what the exact economic impact of the Russian import restrictions would be. However, it expressed optimism that alternative outlets could be found, especially over the medium term. As part of its response, a task force of Commission experts was established to assess the situation from the perspective of EU and world markets, for each product covered.

In terms of the effects of the ban on EU agri-food exports, provisional data included in the Commission's new [Agri-Food Trade Statistical Factsheet](#) show the overall trend for the EU agri-food trade with Russia over the period 2005 to 2015. As shown in Figure 4, before the ban, EU agri-food exports to Russia reached a peak of almost €12 billion. By 2015, these exports had fallen by 53%, to approximately €5.6 billion. This confirms a similar trend emerging from earlier cumulative [data](#) on EU-28 agri-food exports to Russia between December 2013 and November 2014.

Figure 4 – Structure of EU-28 agri-food trade with Russia (2005-2015, million euros)

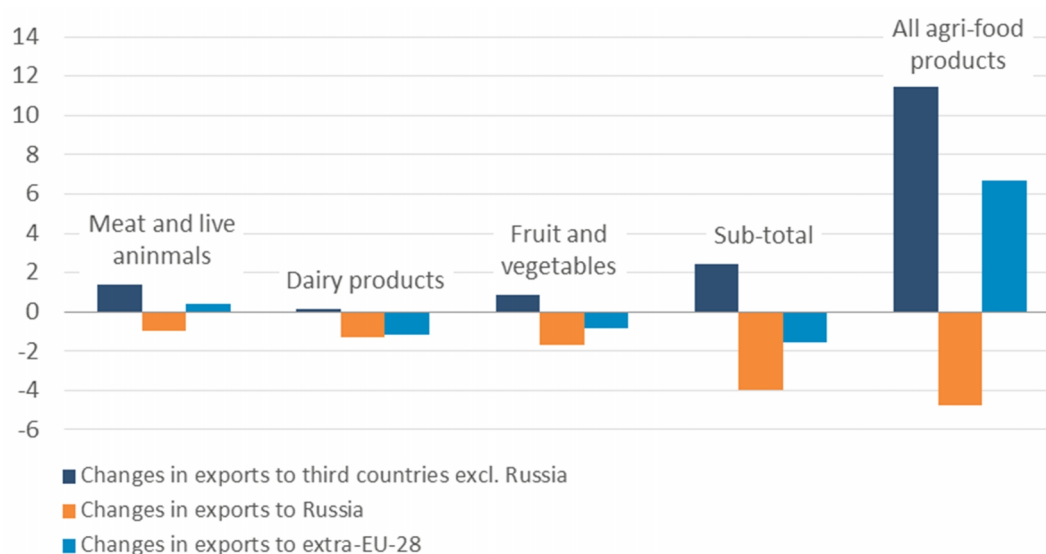


Data source: European Commission [Agri-Food Trade Statistical Factsheet](#), February 2016.

Drawing on [export data](#) to July 2015, Figure 5 summarises changes in agri-food exports to third countries as well as to Russia over the first 12 months of the Russian ban (that is, comparing figures for August 2013 to July 2014 with those for August 2014 to July 2015). According to the Commission, despite the reductions in exports to Russia for each of the sectors shown, the EU's agri-food sector managed to compensate for these losses, as overall EU agri-food exports to third countries increased by 5.7% compared to 2013-2014. The Commission has [indicated](#) that this has been done by increasing exports

to other main destinations and alternative markets. This raises an issue over re-exports of EU products through Belarus to evade sanctions, as identified in a [press report](#).

Figure 5 – Changes in agri-food exports to third countries, excluding Russia (2013-2014 to 2014-2015, billion euros)



Data source: EPRS elaboration from Eurostat-Comtext and [European Commission](#), July 2015.

Further analysis of the EU's 2015 annual export performance shows that major gains in export values were achieved in the USA and China (the latter is now the second export destination, taking the place of Russia). Other gains were achieved in key markets such as Saudi Arabia and Turkey,⁴ building on earlier reported gains in other markets such as the USA, China, Switzerland, and in a number of Asian markets ([European Commission, 2015](#)).

Using recently available data on agri-food exports, Table 1 provides a list of changes in the value of EU exports for a selected range of agri-food products to illustrate further the effects of the ban. It also points to the need to find new markets for these products.

Differential impact

In its initial [assessment](#) of the Russian ban, the United Nations' Food and Agriculture Organization (FAO) explained that 'for countries whose producers of the affected goods are concentrated in exports to the Russian market, the ban would have serious economic implications'. In short, it is possible to identify the differential impact of the ban across countries reflecting the significance of the Russian market for their respective export trades. For example, Russia had been a key destination for cheese exports from the Baltic countries and some 83% of Finland's cheese exports went to Russia.⁵ Exports to Russia represented more than 30% of Lithuanian and Finnish cheese production. Russia was a key destination for Finnish butter exports outside the EU, while for France, Russia represented 15% of its extra-EU exports. In terms of fresh dairy products, the main EU exporters to Russia were Finland, Estonia, France, Lithuania, Germany and Poland, representing 95% of these EU exports to Russia. Such products are particularly significant in domestic production in Estonia, Finland and Lithuania. This pattern was picked up in a [seminar](#) hosted by the 'Various Interests' Group of the European Economic and Social Committee, held in Helsinki in July 2015.⁶ In addition, a recent comparative [study](#)⁷ on the impact of the Russian ban on the four countries of the Visegrad Group (Czech Republic, Hungary, Poland and Slovakia) highlighted a number of findings, which can be briefly summarised in the following points:

In the case of Hungary, though its pork and poultry sectors were affected, the banned products in total represented less than 30% of Hungarian agricultural exports to Russia.

In the case of Poland, the Russian ban is considered as contributing to the collapse of apple prices in the country (about 40% of Polish exports went to Russia) and it also affected other sectors such as mushrooms and tomatoes. Its exports of cheese to Russia represented 43% of total cheese exports, equivalent to 4% of Poland's entire cheese production.

- Although the study assessed the direct effect of the ban on Czech exports as being marginal, it noted that the country was affected more by the indirect impact of over-supply of agricultural products such as meat and fruit on the internal market. (Banned meat exports to Russia from the Netherlands, Belgium and Germany were imported to the Czech Republic at very low prices, which the study considered were hard for Czech farmers to compete with).

Table 1 – Changes in selected EU agri-food exports to Russia (2014-2015, million euros)

AGRI-FOOD PRODUCT	2014	2015	% CHANGE 2014-2015
Milk powders and whey	58	1	-98.3
Butter	93	0	-100.0
Bovine, pork and poultry meat	169	0	-100.0
Offal, animal fats and other meats	133	29	-78.2
Fresh milk and cream	74	1	-98.6
Vegetables, fresh, chilled and dried	505	68	-86.5
Fruit, fresh or dried	682	64	-90.6
Citrus fruit	78	14	-82.1
Tropical fruit	76	39	-48.7
Meat preparations	89	29	-67.4
Cheese	534	21	-96.1
Preparation of vegetables, fruit or nuts	410	316	-22.9

Data source: European Commission [Agri-Food Trade Statistical Factsheet](#). EU – Russia, February 2016.

EU actions to mitigate Russian ban

In response to the Russian ban, a range of EU actions to mitigate its effects have been pursued. These are summarised in [diagrammatic form](#) in Figure 6 (see overleaf). They can be categorised in terms of: (i) measures relating to the internal dimension, which include: the use of **market stabilisation tools** under the common agricultural policy (CAP), and (ii) measures dealing with the external dimension, which are pro-active and forward looking, involving efforts to access **alternative export markets**, including those which are at present hampered by **sanitary and phytosanitary (SPS) barriers**; the **promotion of products** either on the EU internal market or in third countries, as well as improved communications actions.

Given the impact of the ban on the **fruit and vegetables sector**, the European Commission [announced](#) emergency measures in August 2014. To tackle the over-supply and low fruit and vegetable prices, support measures were introduced for the peach and nectarine sectors. Estimated to be worth up to €125 million, they included provision for market withdrawals, especially for free distribution, and compensation for non-harvesting and green harvesting.⁸ The Commission subsequently suspended the emergency measures for perishable fruit and vegetable markets as there was a

disproportionate surge in claims. Its intention was to introduce a more targeted scheme which it subsequently [announced](#) at the end of September 2014.

Worth up to €165 million, this scheme provided support to withdraw surplus volumes from the market, building on the €125 million for fruit and vegetables announced on 18 August 2014. To improve its targeting, the new scheme included an annex outlining eligible volumes in individual Member States, with specific figures per product. Four product groupings were included, covering: (i) apples and pears; (ii) citrus fruit: oranges, mandarin oranges, clementines; (iii) other vegetables, and (iv) other fruits such as kiwi, plums and table grapes. (The scheme was introduced through [Commission Delegated Regulation No 1031/2014](#)), taken under the Commission's own authority without the need for prior approval by Member States or the European Parliament).

Recognising that the existing exceptional support programme expired at the end of 2014, the Commission indicated on 12 December 2014 its [intention](#) to adopt

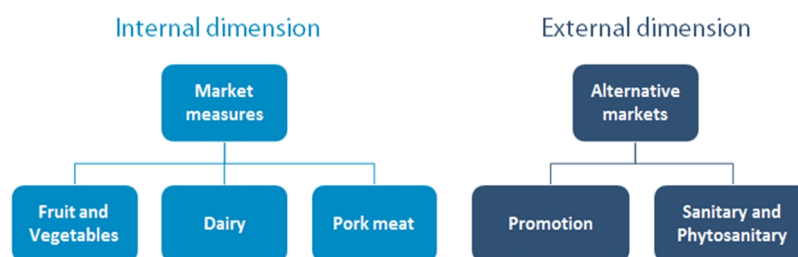
further emergency market measures for perishable fruit and vegetables in response to the market disturbances arising from the Russian ban. This additional scheme provided for EU support until 30 June 2015. The new scheme added an annex with specific volumes for the period January to June 2015 for the 12 Member States which accounted for the largest fruit and vegetable exports to Russia on average during the January to May period during the previous three years.

Following Russia's decision in July 2015 to extend its import ban for a further 12 months, the European Commission extended until 30 June 2016 its safety net measures for the fruit and vegetables sector, which had ended on 30 June 2015. This [extension](#) made provision for the withdrawal of produce, for free distribution to charitable organisations and for other purposes, such as animal feed and composting, as well as for non-harvesting and green harvesting measures.

Private storage aid and support for milk producers

In August 2014, the European Commission [announced](#) its intentions regarding the provision of **private storage aid**⁹ for butter, skimmed milk powder (SMP) and certain cheeses, along with an extension to the period for public intervention for these products to the end of 2014. It subsequently closed this measure for cheese as a precautionary move, following a disproportionate surge in interest from cheese producers in certain regions not traditionally exporting significant quantities to Russia. In November 2014, the Commission [confirmed](#) its intention to adopt a €28 million support package for **milk producers** in Estonia, Latvia and Lithuania, given their exposure to the Russian market and falling prices. A financial envelope was provided for each of the three countries, in support of dairy farmers experiencing liquidity problems arising from the Russian ban.¹⁰ Towards the end of 2014, the Commission [adopted](#) a €10.7 million support package for milk producers in Finland, as this Member State had

Figure 6 – EU actions to mitigate the Russian ban



Source: Adapted from a [Presentation](#) given by the European Commission at a seminar on 'The impact of current EU-Russia relations on the agri-food sector' held in Helsinki, Finland on 7 July 2015.

the highest share of milk production exported in the form of dairy products to Russia among the EU-28.

In light of the difficult market situation facing farmers, the Commission [announced](#) on 7 September 2015 a support package worth €500 million. Part of the backdrop to this development concerned the continuing impact of the Russian ban, not only for those Member States exposed to it, but for all the rest. The focus of the package is threefold, namely to: address the cash-flow difficulties farmers are facing; stabilise markets and address the functioning of the supply chain. As explained in an earlier [EPRS briefing](#) on measures to support dairy farmers, €420 million of the €500 million support package will be provided to all Member States to support their dairy farmers with appropriate and targeted measures. In the [budgetary joint text](#) approved by the European Parliament on 25 November 2015, Parliament welcomed the Commission's €500 million package of measures.¹¹

Promotion of EU agricultural products

In terms of the **promotion** of EU agricultural products, the Commission [announced](#) on 3 September 2014 an additional €30 million to enhance promotion programmes on EU and third-country markets, starting in 2015. The intention was to help producers fund new sales outlets either within or outside the EU. At the end of October 2014, the Commission had [approved](#) 27 such programmes. A further 41 programmes were approved in April 2015, followed by a further 33 [approved](#) in November 2015. A trend emerging from the programmes approved during the first wave in 2015 involved promoting EU products in third-country markets.

[New rules](#) for the promotion of EU agricultural products became applicable from 1 December 2015. These introduced a number of key changes, including: wider scope of beneficiaries and eligible products; the introduction of an [annual work programme](#); calls for proposals, increased EU co-financing rates and a budget of €111 million for 2016.

World Trade Organization (WTO) procedure and other measures

In the introduction above, it was noted that Russia had already closed its markets to EU live pigs and pork and other related products at the end of January 2014 for sanitary reasons. The European Commission [initiated](#) a WTO procedure as it considered the Russian import restriction to be 'disproportionate, discriminatory and not based on science'. (A recent press report indicates that the [WTO panel](#) may have sided with the EU in its dispute over this ban).¹²

In respect of reducing market barriers, the Commission intensified bilateral and regional trade negotiations to create new market opportunities. This included taking action to reduce market barriers in respect of **sanitary and phytosanitary** (SPS) measures. In 2014, specific SPS trade barriers for dairy products were resolved with Chile, China, Japan and South Korea.¹³

European Parliament position

In its [resolution](#) on the situation in Ukraine and the state of play of EU-Russia relations, adopted on 18 September 2014, the European Parliament fully recognised the potential impact of the Russian ban, and urged the Commission to 'do its utmost to support in a substantive and timely manner the European producers affected'. It called on the Commission to monitor closely agricultural markets and not to restrict itself to market measures but to take medium-term measures to strengthen the EU's presence in third-country markets through, for example, promotional activities. The European

Parliament's support for measures taken to stabilise agricultural markets was acknowledged in a [speech](#) by Commission Vice President Jyrki Katainen at the Extraordinary Agriculture and Fisheries Council meeting on 7 September 2015.

In the context of the draft general budget for 2016, Parliament's Committee on Agriculture and Rural Development (AGRI), noting the extension of the Russian ban until August 2016, [called](#) on the Commission to 'implement all necessary measures ... to support Union farmers, in all agricultural fields and the food sector hit by the embargo, in particular in the countries adjoining Russia'. AGRI welcomed the Commission's decision to extend the support measures for fruit and vegetable producers hit by the Russian ban, with effect from 1 August 2015. It highlighted the plight of the milk sector, as the Russian ban was adding to the uncertainty which producers faced in light of the significant decline in European dairy prices, which an earlier [EPRS briefing](#) had examined. AGRI also noted the constant expansion in EU milk production in recent years. In its [resolution](#) on prospects for the EU dairy sector, of 7 July 2015, the European Parliament again acknowledged the impact of the Russian ban. On 14 November 2015, the European Parliament and Council reached a deal on the 2016 EU budget (see [EPRS At a Glance](#) note). This included provision to address the financial consequences arising from the temporary support measures following the extension of the Russian ban, including some additional measures to support sectors facing difficult market situations, in particular dairy and pigmeat.

More recently, at an extraordinary AGRI meeting on 7 March 2016, several Members of the European Parliament called for stronger diplomatic efforts to obtain a lifting of the ban. In response, European Commissioner for Agriculture, Phil Hogan, explained that at this stage he could not predict if and when the ban would be lifted.

Looking to the future

Stakeholders' views

The Russian ban has been the subject of much discussion, assessment and research since its imposition.¹⁴ In May 2015, evidence was presented to the [Civil Dialogue Group on International Aspects of Agriculture](#) on the state of play of EU agri-food exports to third countries. The European Livestock and Meat Trading Union (UECBV) expressed concern over the ban on exports of pork to Russia. Agricultural cooperatives' umbrella organisation Copa-Cogeca asked for a continuation of work to remove SPS barriers. Food industry confederation FoodDrinkEurope indicated that its industry wanted to re-establish trading relations with Russia. This theme was taken up by Copa-Copega in a [press release](#) on 15 February 2016, where it urged the EU to 'intensify negotiations with Russia to re-open the Russian market – our number one export market for pigmeat – as soon as possible'. In addition it stressed the need for exports to be stepped up and new markets found.

Outlook

Considering the ban is not based on technical reasons, whether it will be lifted or not will depend on the wider political context. A key factor will be whether EU Member States decide to extend sanctions against Russia when they expire in July 2016. If they do, then Russia could potentially renew its counter-sanctions. It is difficult to predict with any certainty the future course of action, including the extension of sanctions. In 2015, several EU leaders hesitated over whether or not to extend them, but finally agreed to do so. This issue has [resurfaced](#) again in 2016. Russia suggested modifying its

counter-sanctions to allow some imports from countries such as Greece, Cyprus and Hungary, but nothing came from this proposal.

There is recognition within the Commission that some sectors are coping better than others and that the effects of the ban are not distributed evenly across countries. In short, there is a differentiated impact for those countries in which producers of the banned goods are concentrated in exports to Russia. This has been evidenced by the statistical analysis on the ban (see above), and in studies undertaken in respect of the Baltic States, Finland and the Visegrad Four.¹⁵ (In the case of the Baltic States, one study advises that the 'the effect of sanctions should not be mixed up with other developments related to trade with Russia or the common agricultural policy in the EU'. Such developments include: the depreciation of the Russian rouble, the economic downturn in Russia and the lifting of milk production quotas).

Experience to date has highlighted the role of the CAP as an important tool for addressing the impact of external shocks on the EU's agricultural sector. One study¹⁶ published in 2015 has highlighted the way in which the CAP has been able to strengthen the resilience of the EU's agricultural and food sector in terms of encouraging moves towards new markets assisted by promotional activities. Given the uncertainty over Russia's future intentions and actions in respect of the ban, there are key lessons arising from the experience to date. These include the need to secure new markets outside the EU for agri-food products, encompassing the reduction of barriers in respect of SPS measures. Such measures involving promotional activities offer the potential to strengthen the EU's presence in third-country markets. This becomes ever more important even if there were to be an end to the Russian ban. Russia will not necessarily welcome EU imports back. As part of a general import substitution drive, it has been trying to develop its own agri-food sector taking advantage of the lack of EU competition.¹⁷

Main references

European Commission (2015), [Russian import embargo: EU export development until July 2015](#).

European Parliamentary Research Service (2015), [Russian measures against European Union agricultural products: one year on](#). November.

Food and Agriculture Organisation of the United Nations (September 2014), [Russia's restrictions on imports of agricultural and food products: An initial assessment](#).

Endnotes

¹ African Swine Fever (ASF) is a devastating infectious disease which affects pigs and wild boar. In January 2014, Lithuania made the first notification of ASF cases in wild boar. There is a permanent risk of introduction of ASF into the EU from Russia and Belarus. The EU has been applying all the necessary preventive and surveillance [measures](#).

² Ratso, Signe (2015), EU-Russian Trade Relations in Light of Sanctions and Russia's Import Measures, in [Diplomaatia](#) No 139, March 2015.

³ European Parliament briefing (2014), [The Russian Embargo: Impact on the economic and employment situation in the EU](#), Susanne Kraatz, Policy Department A: Economy and Scientific Policy; October.

⁴ European Commission (2016), [Monitoring EU Agri-food Trade: Development until December 2015](#).

⁵ European Commission (2014), [Analysis of the EU dairy sector – EU production and exports to Russia \(2011-13\)](#).

⁶ [The impact of difficulties in EU-Russia trade relations on the Finnish foodstuffs sector](#) (2015), Jyrki Niemi and Perttu Pyykkonen/Jyrki.

⁷ [Internal Market and the EU-Russia Sanctions: Examination of Practice in Visegrád Countries One Year On](#) (2015), Krystof Krulis with research contribution from Peter Plenta, Liwiusz Wojciechowski and Norbert Szijártó. Association for International Affairs, August, pp 23.

- ⁸ Non harvesting and green harvesting refer to the concept of 'rewarding producers for reducing the produce they put on the market by paying them to harvest it before it is ripe' (see [European Commission's Q&A](#) on EU responses to the Russian import ban).
- ⁹ Private storage aid is a measure foreseen for butter and skimmed milk powder under existing common agricultural policy (CAP) market rules, whereby the Commission helps finance the cost of temporary storage for at least 90 days and not more than 210 days. The CAP finances part of the cost of this temporary storage.
- ¹⁰ The amount of support provided to each of the three countries from the €28 million support package for milk producers was €6.9 million for Estonia, €7.7 million for Latvia and €14.1 million for Lithuania, (based on their respective 2013-2014 milk production levels within national quotas).
- ¹¹ In its [Amending Letter](#) to the Draft General Budget 2016, the Commission included provisions to reinforce expenditure for agriculture by €660.7 million compared to the Draft Budget 2016. This reflected the financial consequences of the temporary support measures following the extension of the Russian ban, as well as additional measures to support sectors facing difficult market situations.
- ¹² The press report suggests that the Russian ban on imports of products from Estonia, Lithuania and Poland was not based on relevant international standards. Source: [AGRA FACTS](#) No 11-16, 12 February 2016.
- ¹³ In respect of African Swine Fever, the USA has accepted EU regionalisation decisions, that is, instead of listing Member States or regions individually, it will list any restricted zone in the EU established by the EU or any EU Member State. In concrete terms, this means that meat from cattle, sheep, pigs and goats slaughtered in Lithuania and processed in certified Lithuanian establishments is now eligible for export to the USA.
- ¹⁴ The Various Interests Group of the [European Economic and Social Committee](#) (EESC), in collaboration with the Central Union of Agricultural Producers and Forest Owners (MTK) in Finland, hosted a seminar in July 2015 in Helsinki on the subject of: 'The impact of current EU-Russia relations on the Agri-food sector'.
- ¹⁵ Kaspar Oja (2015), '[No milk for the bear: the impact on the Baltic states of Russia's counter-sanctions](#)', Baltic Journal of Economics, 15:1, pp 38-49.
- ¹⁶ Dragoi A and Balgar C (2015), '[The Common Agricultural Policy Role in Addressing External Shocks – the Case of the Russian Import Ban](#)'.
- ¹⁷ A report by the Food and Agriculture Organization of the United Nations, '[Russia's restrictions on imports of agricultural and food products: An initial assessment](#)' (September 2014), states that '...Russian agricultural policy places strong emphasis on import substitution...' (p. 3).

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