

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Required Report - public distribution

Date: 7/16/2010

GAIN Report Number: RS1034

Russian Federation

Biotechnology - GE Plants and Animals

Biotechnology Annual 2010

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Report Highlights:

As of July 2010, Russia's biotechnology registration requirements and procedures have not changed from a year ago. The mechanism for registering events, food and feeds for shipments and their use in all three countries of the Customs Union has not been developed yet. In the process of harmonizing technical regulations within the Customs Union provisions will be examined, revised and finally adopted. Currently Russian registrations remain valid.

Section I. Executive Summary:

On July 1, 2010, changes to the Russian customs legislation were introduced as a result of the new Customs Union between Russia, Belarus and Kazakhstan. While the Union is currently in effect, much of the corresponding legislation required for its implementation is still being drafted. Frustration and confusion has resulted for many exporters as they continue to operate with uncertainty under previous regulations. As of July 2010, Russia's biotechnology registration requirements and procedures have not changed from last year. The mechanism of registering events and their use in all three countries in the Customs Union has not been developed yet. For Russia, only the previous Russian registrations are currently valid. While the adoption of the Customs Union has created a cloud of uncertainty it also provides an opportunity for change. In the process of harmonizing technical regulations, provisions will be examined, revised and finally adopted.

Currently Russia does not allow the cultivation of genetically engineered plants. Russian laws require an environmental approval and registration of all genetically engineered seeds but it does not have a functional mechanism for doing so. Registration of biotech events for imported food and feed continues, but the cost to do so is increasing and time consuming. Imported foods that contain registered biotech events should be registered with the Russian Federal Service for Consumer Rights Protection and Human Well-being (Rospotrebnadzor) and imported feed should be registered with the Federal Service for Veterinary and Phytosanitary Surveillance (VPSS).

In 2009 the anti-GMO campaign targeting consumers intensified and most messages coincided with similar EU campaigns. Though these campaigns were not strong; there are a few Russian provinces, including Belgorod oblast and Krasnodar kray, which declare themselves to be GMO-free. Administrations in these two provinces do not allow imports of genetically engineered products into their territory. These two provinces are among Russia's major agricultural producing regions and the restrictions on biotech products are thought to be driven by protectionist measures for domestic seed producers.

In 2009 the Russian President along with other government authorities intensified their verbal support for innovations and advanced technologies. However, research for agricultural biotechnology was not made a research priority. The Russian Academy of Sciences - Center for Bioengineering and the Russian Academy of Agricultural Sciences - Institute of Agricultural Biotechnology are the two leading agricultural biotechnology science and research institutes. Much of their research is focused on the developing pest and disease control agents in addition to the cloning and reproduction of plants. At the Innovations in Agriculture Forum held in June of this year in Kazan, there was nothing mentioned about innovations in agricultural biotechnology. Moreover, federal financing for agricultural research in general is decreasing from an already low level. According to Vyacheslav Nungezer, the Russian Ministry of Agriculture department of science and technological policy and education director, the share of federal budget money for science in the added value of agricultural products is less than 1.4 percent, while in other countries it is several times higher: (<http://www.rg.ru/2010/06/08/prodbezop.html>).

Farmer-led biotechnology lobbying groups do not exist. However farmers, particularly in dry areas, have an understanding for the merit of biotech crops but accept the politics which prevent their access to such technology. Some farmers in these territories would quickly start using biotech crops if these crops were allowed for cultivation. The present drought in Russia and the forecasted decrease in crop (grain, grasses, and even oilseeds) production in 2010 might change farmer and administrative attitudes to favor biotech crops, especially drought resistant crops. However, the length of decision-making, and implementation of new legislature, bureaucratic hardships and resistance of domestic traditional seed breeders makes the switch to legal production of biotech crops unlikely in the coming year.

The EU remains the primary market for Russian agricultural exports and as a result Russia follows many EU standards and policies. The recent Russian legislature for the harmonization of its food safety regulations and requirements with international standards and norms is also based on the adoption of primarily EU policies, including biotech labeling. Purchasing decisions for the majority of Russian food consumers are driven by price considerations rather than by biotech awareness. However, “No Soy” or “GMO-Free” voluntary labeling still influences middle class consumers and ultimately drives food companies to purchase non-biotech, raw materials. In all recently adopted food safety regulations, biotech products are on in the same category as biologically active food supplements, food additives, specialized food products, etc., which are a separate group that needs additional examination and labeling.

In light of the Customs Union, Russia continues to reform its administrative system including the sanitary, veterinary and phytosanitary surveillance systems. Technical regulations that have to be adopted should be developed for the entire Customs Union by 2012. Two technical regulations on agricultural biotechnology (technical regulation for plants, and technical regulation to biotech food products) were not adopted and their regulation under the new Customs Union conditions is not clear.

Section II. Plant Biotechnology Trade and Production:

Defacto ban on Biotech Crop Cultivation

While there is no official ban on the cultivation of genetically engineered seeds, there is not a system currently in place for approving it. The result is a defacto ban. Field trials also are not prohibited, but they need special permissions from the Variety Testing Commission at the Ministry of Agriculture which companies report is no longer granted. The Commission is responsible for tests, of any variety; even for small-scale field trials for research purposes. Monsanto carried out field trials with GE soybeans, GE corn and GE sugar beet in 2000-2004. Since then, there have been no field trials for GE crops. There was a strong agricultural biotechnology research center in Krasnodar kray, but since the Krasnodar kray authorities declared this province GMO-free, the willingness of scientists in this center to continue field tests with biotech crops ceased.

Further complicating the situation, on June 23, 2010, the Russian President, by the Decree No 780, moved the responsibility for assessing the impacts on biotech crops on the environment from the Federal Service for Ecological, Technological and Atomic Surveillance (Rostekhnadzor) to the Federal Service for Surveillance in the Sphere of Environmental Management (Rosprirodnadzor) [i] , which is

known for its very conservative approach to biotechnology.

Status of Product Approval for Imports and Food and Feed Use

As of July 2010, there are 17 genetically engineered crops that can be legally imported to Russia for food use, including nine corn varieties, four soybean varieties, one rice variety, one sugar beet variety, and two potato varieties. Of these 17 varieties, 12 are also registered for feed use, including eight corn varieties, and all four soybean varieties. Monsanto, Bayer Crop Science, and Syngenta are the only three companies to have their biotech crops registered in Russia. Sugar beet varieties belong to Monsanto and KWS. Since 2007 food registrations no longer expire; however they may be re-called if negative incidents occur. Feeds registrations are granted for only five years.

From July 2009 to June 2010 food registrations were only given to one Syngenta corn variety and one Monsanto soybean variety, both of which were in the registration process since 2007. The soybean variety also received registration for feed use. The corn variety is still waiting for its feed registration.

Monsanto submitted one corn and one soybean variety in May and June 2010 respectively, for food crop registration (Table 2).

Biotech companies name the following constraints for submitting new crops (lines) for registration:

- Russia’s inconsistent agricultural biotech policies;
- Expensive and time consuming registration procedures.

The new Customs Union might create additional confusions when/if the Union adopts unified registration procedures. Currently, biotech companies intend to continue to only use the current mechanisms and procedures for registration of crops in Russia. The possible decrease in domestic feed supply in 2010-2011 may stimulate feed importers to increase biotech feed registrations despite their high cost. Feed registration usually takes more than one year. Until cultivation of biotech crops is allowed; because of this expense and time frame, stimuli to register new hybrids are weak.

Table 1. Russia: Approved and Registered Biotech Crops, 1999-2010

Crop	Applicant	Year and period of Registration	
		For Food Use	For Feed Use
Bt corn MON 810, resistant to European corn borer	Monsanto	2000 - 2003, 2004 – 2009 Mar. 2009 – for unlimited period	2003 – 2008 Sep. 2008 – Aug. 2013
Roundup Ready® corn NK 603, tolerant to glyphosate	Monsanto	2002 – 2007; 2008 – for unlimited period	2003 – 2008 Sep. 2008 – Aug. 2013
Bt corn MON 863, resistant to corn root worm (<i>Diabrotica</i> spp.)	Monsanto	2003 – 2008 Aug. 2008 – for	2003 – 2008 Sept. 2008

		unlimited period	– Aug. 2013
Corn Bt 11, tolerant to gluphosinate, corn borer resistant	Syngenta	2003 – 2008 Sep. 2008 – for unlimited period	Dec. 2006 – Dec. 2011
LL Corn T25, tolerant to gluphosinate	Bayer Crop Sciences	2001 – 2006, 2007 – for unlimited period	Dec. 2006 – Dec. 2011
Roundup Ready ® corn GA 21, tolerant to glyphosate*	Syngenta	2007 - for unlimited period	Nov. 2007 – Nov. 2012
Corn MIR 604, resistant to corn root worm (<i>Diabrotica</i> spp.)	Syngenta	2007 – for unlimited period	May 2008 – May 2013
Corn 3272 with α -amylase enzyme to break starch during ethanol production**	Syngenta	April 2010 – for unlimited period	Still under review
Corn MON 88017, tolerant to glyphosate and resistant to corn root worm (<i>Diabrotica</i> spp.)	Monsanto	May 2007 – for unlimited period	Sep. 2008 – Aug. 2013
Roundup Ready® soybeans 40-3-2, tolerant to glyphosate	Monsanto	1999 – 2002, 2002 – 2007, Dec. 2007 - for unlimited period	2003 – 2008, Sep. 2008 – Aug. 2013
Liberty Link® Soybeans A2704-12, tolerant to gluphosinate	Bayer Crop Sciences	2002 – 2007 2008 – for unlimited period	Nov. 2007 – Nov. 2012
Liberty Link® Soybeans A5547-127, tolerant to gluphosinate	Bayer Crop Sciences	2002 – 2007 2008 – for unlimited period	Nov. 2007 – Nov. 2012
Soybean MON 89788, tolerant to glyphosate, 2nd generation	Monsanto	Jan. 2010 – for unlimited period	May 2010 – May 2015
Rice LL62, tolerant to gluphosinate	Bayer Crop Sciences	2003 – 2008 Jan. 2009 – for unlimited period	
Roundup Ready ® Sugar beet H7-1, tolerant to glyphosate	Monsanto/KWS	2006 – for unlimited period	
Bt potato “Elizaveta” (resistant to Colorado potato beetle)	Center “Bio-engineering”, Russia	2005 – for unlimited period*	
Bt potato “Lugovskoy” (resistant to Colorado potato beetle)	Center “Bio-engineering”, Russia	Jul. 2006 – for unlimited period	

*In 2006 registration was changed from “up to five years” to an unlimited period.

** Corn 3272 (Syngenta) received registration for food in April 2010, but still waiting for feed registration, and also listed in the Table 2

Table 2. Russia: Biotech Crops Awaiting Approval

Crop	Applicant	Date of Submission for Approval	
		For Food Use	For Feed Use
Corn 3272 with α -amylase enzyme to break starch during ethanol production	Syngenta		Submitted in 2007, but still under review
Corn MON 89034, resistant to Lepidoptera pest	Monsanto	Submitted for registration in May 2010	
Bt soybeans, MON 87701, resistant to Lepidoptera pests	Monsanto	Submitted for registration in July 2010	

Each biotech food product or ingredient is registered separately. Each feed is also registered separately. The feeds registrations are issued to the name of a specific company for importing certain feed or feed ingredients.

Trade

Russia continues to increase its livestock and poultry production, as a result domestic demand for protein feeds is growing. In 2009-2010 Russia increased its soybean crushing capacity as well as imports. However, the 2010 drought has threatened Russia's grain production and it is expected to decrease from 97 million metric tons (MMT) in 2009 to below 85 MMT in 2010. Therefore along with growing imports of soybeans Russia may have to increase soybean meal and corn imports in 2010-2011. In general, feed trade does not reflect a pro- or anti- biotech attitude, but rather a domestic demand in corn and soybeans. However, the largest crushing company in Kaliningrad does maintain separate facilities for GM and non-GM soybeans. While most customers are happy to purchase GM soybean meal, a few regions in the south will only buy non-GM. Meanwhile importers of food and food ingredients reported in 2009-2010 that food processors and traders prefer certified non-biotech products and ingredients, as these preferences are driven by consumers' preferences.

Corn imports

Due to good 2008 and 2009 corn crops (6.7 MMT and 4.0 MMT) and relatively poor feed milling industry development in the corn producing regions, Russia exported over 400,000 MT in October 2009 – June 2010. At the same time corn imports in October 2009 – May 2010 were 30,000 MT. In 2010 Russian farmers increased area sown to corn, but drought may affect crop production. In MY 2010 Russia imported more than half of its corn from the Ukraine (16,000 MT). The other major corn suppliers to Russia were Hungary, Romania, Austria and France.

Soybean imports

Russia imported 739, 863,135 MT of soybeans from September 2009 (beginning marketing year for

soybeans) through May 2010, compared with 571,608 MT during the same period the previous year. This included 299,358 MT from Brazil, 258,552 MT from Paraguay, 95,968 MT from the U.S., 43,566 MT from Canada, 23,423 MT from Ukraine, 12,826 MT from Lithuania; in addition to small quantities from several other countries. Russian companies importing from Brazil, claim that they import mostly non-biotech soybeans.

^[1] For more information see paragraph 3 of the Decree of the President No 780 of June 23, 2010:

<http://www.garant.ru/hotlaw/federal/254739/>

Section III. Plant Biotechnology Policy: Russian Biotechnology Legislature

Other than the minor adjustments noted in this report, Russian biotech legislature remains unchanged from the 2009 Annual report. The summary of different laws that regulate biotech policy in Russia is given below. These laws are expected to be functioning in Russia for at least another year while the new technical regulations for the customs union are being completed. The Russian government continues reforming its agencies responsible for SPS and food safety issues and has called for moving SPS requirements to more closely follow international norms (often making the EU norms its model).

Below is a summary of laws that currently regulate Russian biotech policy. These include laws on product registration and consumer information about biotech ingredients in food products.

- Federal Law No. 86-FZ of June 5, 1996, On State Regulation in the Sphere of Genetic Engineering Activities with amendments made in 2000
- Federal Law No 52-FZ of March 30, 1999, On the Sanitary-Epidemiological Well-being of Population
- Federal Law No. 29-FZ of January 2, 2000, On the Quality and Safety of Food Products with amendments made in 2001 - 2006
- Federal Law No. 2300-1 of February 7, 1992, On the Protection of Consumers Rights with amendments. The amendment of October 25, 2007 sets the threshold for mandatory labeling of food ingredients made from biotech material to 0.9 percent. Prior to this amendment, trace amounts of biotech food ingredients required labeling
- Resolution of the Government of the Russian Federation No. 422 of July 14, 2006 that transferred testing and registration of biotech feeds from the Ministry of Agriculture of the Russian Federation to the Federal Service for Veterinary and Phytosanitary Surveillance (VPSS)
- Resolution of the Government of the Russian Federation No. 120 of February 16, 2001, On State Registration of Genetically Modified Organisms and Registration Regulation. This Resolution enforced the state registration of genetically modified organisms (GMO)
- Resolution of the Government of the Russian Federation No. 988 of December 21, 2000, On State Registration of New Food Products, Materials, and Goods with amendments. The resolution authorizes registration of GMO food
- Article 50.1 Environmental Protection from Negative Biological Impact of Federal Law No. 7-

FZ of January 10, 2002, On Environmental Protection. The Article say: “it is prohibited to produce, grow and use plants, animals and other organisms not typical for natural ecological systems, or created artificially, without developing effective measures to prevent their uncontrolled reproduction, obtaining a positive state ecological expert’s conclusion, and permission from the federal bodies of executive power...”.

- Federal Law of the Russian Federation No. 65-FZ of May 1, 2007 and the **NEW Federal Law #385-FZ of December 30, 2009**^[1]. This federal law amends the Federal Law “On Technical Regulation, and actually suspends adoption of two biotech-related technical regulations (On Requirements for Bio-safety and the Safety of Biotech Plants, and On Requirements for Safety of Foodstuffs Produced from Raw Materials Derived from Biotech Plants and Animals) for an indefinite period of time. The most recent Amendment (#385-FZ) potentially allows business to choose either Russian technical regulations or technical rules and standards based on “approved” foreign standards and norms. The amendment also gives the Russian Government authority to introduce, on a temporary basis, the technical regulations in the Custom Union, and and norms and rules of the EU, where Russian technical regulations have not been adopted yet. When the Customs Union came to force in July 2010, development and adoption of all not-yet adopted technical regulations was suspended, and the new technical regulations will be developed for the entire Customs Union.
- Resolution No. 42 of June 25, 2007 approved SanPiN 2.3.2.2227-07, Additions and Changes No. 5 to the Sanitary-Epidemiological Rules (SanPiN 2.3.2.1078-01 of 2002, Hygiene Requirements to Safety and Nutrition Value of Food Products). SanPiN 2.3.2.2227-07 establishes a threshold level for biotech ingredients in food products, requiring labeling for those with components over 0.9 percent biotech. The resolution acknowledges that any smaller biotech presence is adventitious. These shall not be considered biotech products, and they shall not require special consumer information. The Ministry of Justice of the Russian Federation registered Resolution No. 42 on July 16, 2007 under Registration No. 9852. The resolution established an accepted federal level, and SanPiN 2.3.2.2227-07 came into force on September 1, 2007.

In accordance with current legislation all organizations that import, produce, or trade food products to/in Russia must inform consumers about the presence of biotech components in food products, given that each individual biotech event does not exceed 0.9 percent. Rospotrebnadzor’s Order No. 80 specifies the methods that should be used to test for biotech presence in food. For imported food products Rospotrebnadzor has the right to conduct sample tests to detect the presence of biotech components. In order to verify the biotech-free claim the producer or exporter may conduct its own tests at independent laboratories (it may be an IP system, PCR test), but the results of these tests are not accepted by the Russian Rospotrebnadzor. These pre-export tests are voluntary for producers and exporters. If a producer/exporter claims that its products are not genetically altered, Rospotrebnadzor still has the right to examine these products. Furthermore, if the presence of genetic alteration in the products is more than 0.9 percent the import permit is recalled, and a claim for fraud may be placed on that company. Usually Rospotrebnadzor pays special attention to products containing soybean or corn ingredients.

The maximum adventitious presence of non-registered biotech components in feeds allowed is 0.5 percent. Feed may be classified as biotech-free if presence of each non-registered biotech line in feeds does not exceed 0.5 percent and if the presence of each registered biotech line in the feed does not

exceed 0.9 percent. In this case, “registered” refers to products registered in Russia and “non-registered” refers to products not registered in Russia. The presence of genetic alterations in feed components is calculated separately and not comprehensively. For example, if two registered components in feeds contain 0.6 percent of genetic alterations in each, then the feed is considered to be non biotech, although together the sum is 1.2 percent. The pre-export identification of feed as non-GMO is not required. It is up to the producer/exporter to declare the feed as non-GMO, but the VPSS regardless examines the products for the presence of biotech components.

Government Ministries and Their Roles

Registration for Food Use

The Russian Federal Service for Consumer Rights Protection and Human Well-Being (Rospotrebnadzor) at the Ministry of Health and Social development registers biotech crops and ingredients for food use. The registration process remains the same as last year:

- The applicant submits the application and dossier to Rospotrebnadzor;
- Rospotrebnadzor assigns a safety assessment to the Institute of Nutrition of the Academy of Medical Sciences;
- The applicant concludes an agreement for the food safety assessment with this Institute; and
- On the basis of the Institute’s assessment, Rospotrebnadzor issues a certificate of registration and registers the product.

It takes 12 months to conduct laboratory tests required for the safety assessment and an additional two to three months to organize and prepare documents for the new biotech crops. Registering food products and ingredients requires less time, however, registration is only granted if the biotech product contains biotech events that have already been registered. It is necessary to provide a copy of the event registration certificate in the application documents when registering food products or ingredients. Only those companies with registered crops in Russia for food use (one of three companies mentioned above) can provide a copy of the crop registration certificate.

Since 2006 Rospotrebnadzor has registered food-use crops for an unlimited time period. Information on biotech crops registered for food use for food products or an ingredient containing registered biotech ingredients is available on Rospotrebnadzor’s website: <http://fp.crc.ru/gosregfr/>. The list of registered products contains all new food products, not only biotech products or products with biotech ingredients. There are several hundred different products and names. To find permitted food products for a specific crop, search for the name of the crop and the words “genetically modified.”

The institutes that conduct biotech crop and food product research remain the same as last year, namely: Russian Academy of Medical Sciences - Institute of Nutrition and Food Safety Assessment (medical and biological studies), The Russia Academy of Sciences for Bioengineering of (genetic studies), and the Moscow State University of Applied Biotechnology (technological assessment).

Registration for Feed Use

Plant-origin feed imports require a veterinary certificate and a letter stating that the feed is biotech free

(the maximum adventitious presence may be 5 percent). If the feed contains biotech ingredients, the shipment must include a copy of the certificate indicating that the biotech components in the feed are registered with the Federal Service for Veterinary and Phytosanitary Surveillance (VPSS). The imports must also have a phytosanitary quarantine certificate, although it is unrelated to biotechnology. Any biotech components in feed must be appropriately registered.

NEW! In October 6, 2009, the Russian Ministry of Agriculture clarified the procedure for biotech feed registration. The Minister of Agriculture Order #466 is the state registration Administrative regulation for feeds derived from genetically modified organisms. Which was approved by the Russian Federation - Ministry of Justice - November 16, 2010, registration number 15239).

In this regulation, MinAg confirms that VPSS is responsible for feed registration. The Russian text of the Regulations is on the VPSS's site: <http://www.fsvps.ru/fsvps-docs/ru/laws/projects/gmo.pdf> and on the site of the Ministry of Agriculture:

http://www.mcx.ru/documents/document/v2_show/11683.200.htm. The Regulation states that the registration is issued for 5 years. The regulation covers “products of plant, animal and microbiological origin, and their components, used for feeding animals, and which contain animal health non-harmful digestible nutrients.” The Regulation does not allow the registration of several types of GM feeds under one name, or to register the same GM feed several times under one or under several different names. The applicant must submit the following documents:

1. application for the state registration of GM feed;
2. materials that contain information on the following
 - information on the origin of GM feed,
 - evaluation of the potential danger of use of GM feed (compared with the initial basic feed), and recommendation of the applicant on the risk reduction,
 - information on the supposed use of the GM feed, and on the registration and the use of this feed abroad,
 - information about the technology of growing the modified variety of the plant that is used for production of GM feed,
 - data on the technology of production of GM feed,
 - draft of the instruction on the use of GM feed
3. if the modified plant variety, which is used for feed is viable and is meant for biomass or fodder growing, the certificate from the Russian State Register of Selection Achievements must be attached .

All documents shall be in Russian or shall have the certified translation into Russian. Copies of document shall be certified by a notary. VPSS will make a decision on the registration of a GMO feed based on the Conclusion of the Experts Council on the safety (non-safety) of the GMO feed.

To register formula feeds, VPSS issues feed-registration certificates to a specific applicant for an individual shipment during a certain period of time. VPSS only issues certificates for feeds produced using registered biotech crops. The certificates cannot be transferred to different importers. This registration is conducted by VPSS, but the list of registered feeds is not available on the site. Given that the registration is for a specific shipment, information on the registration is accessible to the importer only.

The research of crops for feed use and the research of biotech formula feeds is conducted by the Federal State Organization “All-Russian Center of Quality and Standardization of Animal Pharmaceuticals and Feeds – VGNKI, subordinated to VPSS.

Environmental Expertise

NEW! A reorganization happened late June 2010 transferring the functions of environmental expertise from the Federal Service for Ecological, Technological and Atomic Monitoring to the Federal Service for Surveillance in the Sphere of Environmental Management – Rosprirodnadzor (paragraph 3 of the Order of the President #780 of June 23, 2010) at the Ministry of Natural Resources and Environmental Management. Given the present status of Rosprirodnadzor, it is unlikely that they will look favorably on moving forward with approving biotech crops for cultivation.

Registration and certification in view of creation of the Customs Union

The Customs Union will result in a revamping of Russia’s technical regulations; however, the certificates and registrations issued before July 1, 2010 will be valid until January 1, 2012 or until their expiration date. However, the validity of these documents will not be recognized by non-Russian Custom Union members.

On May 28, 2010 the Customs Union Commission adopted Custom Union’s Standard Sanitary and Epidemiological and Hygienic Requirements to Food Product Safety and Nutritional. These requirements (Decision of the Commission #299 of May 28, 2010) are posted on the web-site of the Customs Union: http://www.tsouz.ru/KTS/KTS17/Pages/P2_299.aspx . The unofficial translation of these requirements is attached. These requirements include GMO presence and labeling requirements very similar to Russian requirements stipulated in SanPiN 2.3.2.1078-01 (with all amendments referring to GMO). However, the mechanism for implementing these new requirements in the Customs Union has not been developed. The Russian Rospotrebnadzor is conducting permanent consultations on how implement these requirements at the borders and in the Customs Union. While the adoption of the Customs Union has created a cloud of uncertainty it also provides an opportunity for change. In the process of harmonizing technical regulations, implementing regulations will be examined, revised and finally adopted.

Biotech regulations in Belarus and Kazakhstan

According to industry, Belarus allows the importation, use and cultivation of biotech products which are officially registered in the country where they are produced. Belarus is considered open to biotech products and is a signatory to the Cartagena protocol. In Kazakhstan there is no legislation on biotech crops. It is said that planting biotech crops is not allowed and Kazakhstan is a GMO-free country.

Traders and biotech companies report that the current situation is confusing: the goods intended to be sold and used only in one of the member country and these goods may not be allowed in other member states. Companies will continue to apply to Rospotrebnadzor and Rosselkhoznadzor, who will then

only issue registration certificates valid in Russia. If a biotech company or supplier wants to have a registration for the whole Customs Union, they will have to apply for registration in accordance with "Unified sanitary-epidemiological and hygienic requirements for products subject to sanitary-epidemiological surveillance (control)" which currently are drafted but not in practice by any member.

Fees for registration of biotech events:

Rospotrebnadzor's charges for all examinations and related services, including comprehensive studies required to register for food use biotech events. Fees are capped at a maximum 3,770,000 rubles (\$121,613^[ii]) for the approval of new events for an unlimited period. The option to register for an unlimited period began in 2006. The fee varies, depending on the range of examinations and studies, but averages around \$100,000. The fee for re-examination and re-approval of events that were registered before 2006 is approximately \$10,000. Registration of food products that contain a previously registered biotech event is 20,000 rubles (\$645).

Registration of biotech events for feed use: VPSS usually registers events only after it has been approved for food use. However, the registration fee is higher and the process is more cumbersome. The registration fee is not fixed. Before March 2010, VPSS's charges for examination and a 5 year event registration for feed use were approximately \$100,000 (approximately 3,352,000 rubles). However, in March 2010, VPSS announced that they will be increasing fees but to date has not set the new amount. The charge is the same for registration for the first time and for re-registration every five years. Companies that import formula feeds with registered biotech components also need registering these feeds as biotech feeds. The registration is given the company that imports this feed and VPSS requires that each feed that contains a registered GM event also be registered. .

Some improvements in feed registration are expected: GOR Order 299-R, signed on March 9, 2010, which required the Ministry of Agriculture, Ministry of Economic Development, Federal Anti-Monopoly Service and other interested bodies to develop a draft federal law aimed at improving the legal regulation in the field of veterinary control and surveillance. The draft should have been submitted to the Russian Government in May 2010.

^[i] For more information see GAIN report RS1002 _ Policy and Program Announcements _ Amendments to the Federal Law on Technical regulation _ Moscow _ Russian Federation

^[ii] Exchange rate is 31 Ruble per \$1

Section IV. Plant Biotechnology Marketing Issues:

Labeling requirements increases the price of food containing biotech ingredients. The price of examining products for the presence (or absence) of biotech components is high because the approved methods of testing are extensive. Specialists claim that the recent activities of the State Standards Committee and the GOST on identification of GMO with microchips^[i] have resulted in a significant fee increase for imports of all food and agricultural products to Russia. It is rare to find a GMO label, though non-GMO label can commonly be seen on dairy, eggs and poultry products.

Section V. Plant Biotechnology Capacity Building and Outreach:

During the economic crisis funding for anti-biotech groups, such as Greenpeace and other NGOs, decreased and consequently the anti-biotech campaign has faded. However, pro-biotech groups have not received new funds in spite of a declared support of innovations and advanced technologies by the Russian Government. Mass media is still mostly anti-biotech, but the issue is not very important and is discussed very little by mass media.