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Delisting Double-Take - VPSS Cancels New Order

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Livestock and Products

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Report Highlights:

On February 15, 2017, the Federal Service for Veterinary and Phytosanitary Surveillance (VPSS) issued a press release cancelling its February 2, 2017 Order concerning suspension and delisting of selected establishments from its Register of approved suppliers of goods subject to veterinary control, including meat, poultry and seafood. The reason provided for delisting was the absence of shipments to the Russian Federation in over 36 months, which did not allow VPSS “to monitor the safety and quality” of the suppliers’ products. The measure went into effect on February 10, when VPSS dropped hundreds of eligible suppliers from its online Register and marked others “suspended”. After announcing cancellation of the order, VPSS restored its earlier online Register.

General Information:

On February 2, 2017, the Federal Service for Veterinary and Phytosanitary Surveillance (VPSS or Rosselkhoz nadzor) issued a letter ([FS-NV-7/1988 in Russian](#), see unofficial translation below) on suspension and delisting of selected establishments from its Register of approved suppliers of the goods subject to veterinary control, including meat, poultry and seafood. The given reason for delisting was the absence of shipments to the Russian Federation. Most trading partners did not receive the letter until February 8.

According to the letter, VPSS would suspend exports from the establishments that have not shipped any goods in the past 18-36 months to the territory of the Russian Federation. Exports could be resumed for suspended establishments if the competent authority provides new inspection reports to VPSS ([See GAIN RS1481 for EEC Council Decision No. 94 On the Regulation on Common procedure of joint inspection of facilities and sampling of goods subject to veterinary control](#)). Establishments that have not shipped any goods for the past three years or more would be delisted, i.e., removed from the list of eligible establishments, and would require an inspection by veterinary team representing Eurasian Economic Union (EAEU) member countries to be reinstated.

In general, products subject to veterinary control are required to come from approved supplier lists for shipments to the customs territory of the Russian Federation (See [GAIN RS1643](#)). The VPSS action put at risk exports to EAEU member countries that use Russian supplier lists in the absence of a unified Register.

Currently, the August 2014 “counter-sanctions” food embargo bans most foods of animal origin, including seafood, from the United States of America, Canada, the European Union, Australia, Norway, Ukraine, Albania, Montenegro, Iceland, and Liechtenstein (See [GAIN RFATO038](#)). Because 30 months has already elapsed, suspension and delisting of establishments would be a substantial barrier to international trade even if the Russian Federation lifts its embargo in the future. Additional “temporary” sanitary/veterinary bans put into place in 2013 and 2014 have pushed many previously approved establishments beyond the three-year limit at this time.

Following its initial decision, on February 10, 2017, VPSS edited the Register of approved establishments [on its website](#), cutting the number of companies eligible to export into the territory of the Russian Federation. For example, for the United States, the number of establishments was drastically reduced (see table below), while most others are suspended for lack of exports.

Product	Number of facilities originally on the list	Number of facilities listed, but suspended, after Feb. 10
Poultry	268	34
Pork	179	8 (including 2 plants that are not suspended)
Beef	99	3
Prepared meat products	24	2
Casings	21	1
Hatching eggs	35	1
Seafood (various)	184	69

On February 15, 2017 VPSS issued a press release ([Russian](#)) cancelling Order number FS-NV-7/1988 of February 2, 2017. The press release does not give a reason for the cancellation; however, negative reactions from several trading partners had been immediate and strong. The following day, VPSS reinstated the status of all suppliers of the goods subject to veterinary control back to that of one week prior.

The original action raised a number of concerns in a WTO context, including timely notification and transparency, the opportunity to comment on proposed regulatory changes impacting trade, and a science-based risk assessment justifying the regulatory change.

Begin unofficial translation.

**Rosselkhoznadzor
Letter FS-NV-7/1988
February 2, 2013**

The Federal Service for Veterinary and Phytosanitary Surveillance analyzed shipments of the goods subject to veterinary control into the Russian Federation from establishments included in the Register of organizations and individuals engaged in production, processing and (or) storage of veterinary controlled goods approved for import into the customs territory of the EAEU.

The results of this work revealed that some of the establishments included in the Register did not ship products into the Russian Federation for a long time or did not deliver products to Russia at all.

For this reason, the Rosselkhoznadzor was not able to carry out border veterinary control and laboratory monitoring of products from such establishments. In addition, the Russian Agency has no information on the results of third country supervisory measures in relation to these companies and their products, including laboratory research, which in turn leads to the inability to estimate veterinary risks.

Based on the foregoing, the status "suspended due to the lack of exports" will be assigned on the Register to the establishments of the third countries that have not shipped controlled goods (products) to the territory of the Russian Federation within the past 18-36 months. Exports to the Russian Federation can be resumed on the inspection of such establishments by competent veterinary authority of a third country and appropriate analysis report provided to the Rosselkhoznadzor.

Companies not engaged in the shipment of animal products to Russia for three or more years will be excluded from the Register of approved suppliers.

End unofficial translation