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## Russian Federation

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## Government Measures to Support Fishery Sector

### Report Categories:

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### Report Highlights:

On March 20, 2009, Deputy Prime Minister Viktor Zubkov met with representatives of the Russian fishery industry to discuss anti-crisis proposals as well as short and long-term goals being developed by the government to support the domestic fishery sector.

## **General Information:**

### **Author Defined:**

#### **Government Measures to Increase Efficiency of the Fishery Sector**

On March 20, 2009, Deputy Prime Minister Viktor Zubkov met with representatives of the Russian fishery industry to discuss anti-crisis proposals as well as short and long-term goals being developed by the government to support the fishery sector.

During the meeting several government and private initiatives were announced, including the allocation of 1 billion rubles (\$29.4 million) from the federal budget to subsidize interest rate for two-thirds of the Central bank refinancing rate on credits aimed at fishing gear renovation, shipbuilding, and modernization of fishery processing facilities. In addition, an agreement was signed by the Russian Fishery Agency (Rosrybolovstvo) and “Rosagroleasing” to provide 14 billion rubles (\$412 million.) in funds for supplying equipment for developing Russian coastal infrastructure in 2009. This is 5 billion rubles (\$147 million) more than was allocated for the same purpose in 2008. During the meeting Chairman of Rosselkhozbank Yuriy Trushin stated that his bank has set aside 20 billion rubles (\$588 million) for Russia’s fishing industry in 2009.

Another initiative of Rosrybolovstvo is a proposal to significantly increase import tariffs for some species that Russian fishermen catch in abundance such as capelin, herring and pollock. The objective of the measure is to prevent re-export of Russian fish from China and Korea for a higher cost. Currently import duties for these species are 5 percent and Rosrybolovstvo proposes a major increase in tariffs 20 times higher than current levels.

The head of Rosrybolovstvo believes that these initiatives have the potential to increase production of fish products by 20-25 percent in 2009. He estimates the total fish catch to reach 3.65 million MT in 2009 as compared to 3.4 million MT in 2008. In addition, production is expected to increase based on higher catch quotas in Barents Sea, specifically for capelin, and scientists’ estimates of an improved salmon season in the Far East. It is also estimated that these measures will increase the share of domestic fish in the Russian market to 70 percent by the end of 2009.

According to the Resolution signed by Prime Minister Putin on June 30, 2008, beginning January 1, 2009, all fish harvested in a 200-mile Exclusive Economic Zone (EEZ), on the shelf and in the internal seas, must be declared at Russian customs before the company decides whether to export or sell the catch in the domestic market. According to Customs statistics, the measure has resulted in an increase to the domestic fish market of 20 percent during the first 2 months of 2009. Fish market analysts are forecasting that processing industry will increase its output by 15-20 percent by the end of 2009.

### **Wild Catch**

Interfax, with the reference to Federal Fisheries Agency reports, that during the first 3 months of 2009, Russia has increased its fish and other seafood products catch by 13.4 percent, or 90,000 MT, totaling 763,000 MT.

In the Far Eastern seas and the Bering Sea, fishermen have caught 45,000 MT of fish in 2009, up 7,400 MT from the same period in 2008. In the northern and southern Kuril Islands, the catch has remained close to last year's level of 13,000 MT. The fish catch in the Sea of Okhotsk was up by 44,000 MT reaching 482,000 MT during the same time period.

The catch in the Barents Sea and the White Sea has grown by 52,000 MT to 104,000 MT so far this year. In the Baltic Sea, the catch has totaled 8,100 MT, or about the same amount as a year ago.

The catch in the Azov and Black seas has increased by 1,400 MT to 6,800 MT. The fish catch in the Caspian Sea is down to 1,600 MT from the 4,200 MT level seen a year ago. Russian fishermen have caught 77,600 MT of fish in other countries' zones this year, or 10,800 MT more than a year earlier. A total of 18,000 MT of fish have been caught in regions governed by convention and on the high open seas in the first 3 months of 2009 compared to 39,300 MT a year ago.