

Voluntary - Public

Clearance Office: Office of Global Analysis (OGA)

Date: 08.05.2009

GAIN Report Number: RS9032

Russian Federation

Post: Moscow

Import Duties Increased

Report Categories:

Sugar

Trade Policy Monitoring

Approved By:

Mary Ellen Smith

Prepared By:

Erik Hansen and Mikhail Maksimenko

Report Highlights:

A new Russian government resolution will raise import duties on raw cane sugar and some processed sugar as of May 1, 2009 for the remainder of the year. In addition, the new resolution shortens the length of seasonal import duties placed on raw sugar from May 31, 2009 to April 30, 2009.

Executive Summary:

On April 15, 2009, Prime Minister Vladimir Putin approved Resolution #325 that authorizes higher import duties for the remainder of 2009 on raw cane sugar and some processed sugar to take effect May 1, 2009. This resolution also shortens the length of seasonal import duties placed on raw sugar from May 31, 2009 to April 30, 2009.

With regard to goods classified by codes of the TN VED of Russia 1701 11 100 2; 1701 11 900 2; and 1701 91 000 2, the present resolution enters into force beginning from the date of its official publication. [1]

The resolution was published in the official Russian government newspaper Rossiiskaya Gazeta on April 28, 2009, and can be found at the following URL:

<http://www.rg.ru/2009/04/28/poshliny-sahar-dok.html>

^[1]. According to a telegram of the Russian Customs Service of April 30, 2009 # TF-557, the present resolution enters into force with regard to goods classified by codes of the TN VED of Russia 1701 11 100 2; 1701 11 900 2; and 1701 91 000 2 beginning May 28, 2009

General Information:

Author Defined:

Unofficial Embassy Translation of Resolution 325

On approval of import customs duties on raw cane sugar and separate kinds of sugar, and on changes to a Resolution #786 dated December 15, 2004, and #695 dated September 16, 2008, the Government of the Russian Federation decrees the following:

1. Partially changing the Customs Tariff of the Russian Federation, approved by Resolution of the Government of the Russian Federation of November 27, 2006, #718 “On the Customs Tariff of the Russian Federation and Commodity Nomenclature Applied in Conducting Foreign Economic Activities” (Collection of the Legislation of the Russian Federation, 2006, #50, Article 5341) to approve the attached import duties on raw cane sugar and sugar containing added flavoring or coloring matter valid until December 31, 2009.
2. Establish that the average monthly price for raw sugar on the New York Mercantile Exchange is calculated in accordance with a Resolution of the Government of the Russian Federation of December 15, 2004, #786 “On the Customs Regulations of sugar imports into the Russian Federation”.
3. In the text of Resolution #786 of the Government of the Russian Federation of December 15, 2004, titled “On the Customs Tariff Regulation of sugar imports into the Russian Federation” (Collection of the Legislation of the Russian Federation, 2004, #51, Article 5200; 2006, #50, Article 5341) wording “Ministry of Economic Development and Trade of the Russian Federation” should read “Ministry of Economic Development of the Russian Federation”.

4. In paragraph 1 of a resolution of the Government of the Russian Federation of September 16, 2008, #695 titled, “On seasonal import duties on raw cane sugar and separate kinds of sugars imported onto the territory of the Russian Federation in 2008 and 2009” (Collection of the Legislation of the Russian Federation, 2008, No. 38, Article 4327) wording “beginning January 1 until May 31” should read as “beginning January 1 until April 30, 2009”.
5. The present resolution enters into force on May 1, 2009. Regarding goods classified by codes of the TN VED of Russia 1701 11 100 2; 1701 11 900 2; and 1701 91 000 2, the present resolution enters into force one month after date of its official publication.

Chairman of the Government of the Russian Federation
Vladimir Putin

New Sugar Import Duties

Code TN VED	Position in USD [2]	New rate in USD	Old rate in USD
1701 11 100 1	at average monthly price no more than \$99.21 per MT on New York Mercantile Exchange	\$270 per MT	\$270 per MT
1701 11 100 2	at average monthly price no less than \$99.22 per MT, but no more than \$112.44 per MT on New York Mercantile Exchange	\$270 per MT	\$250 per MT
1701 11 100 3	at average monthly price no less than \$112.45 per MT, but no more than \$125.66 per MT on New York Mercantile Exchange	\$250 per MT	\$235 per MT
1701 11 100 4	at average monthly price no less than \$125.67 per MT, but no more than \$141.10 per ton on New York Mercantile Exchange	\$240 per MT	\$221 per MT
1701 11 100 5	at average monthly price no less than \$141.11 per MT, but no more than \$154.32 per MT on New York Mercantile Exchange	\$225 per MT	\$206 per MT
1701 11 100 6	at average monthly price no less than \$154.33 per MT, but no more than \$167.55 per MT on New York Mercantile Exchange	\$210 per MT	\$194 per MT
1701 11 100 7	at average monthly price no less than	\$195 per MT	\$180 per MT

	\$167.56 per MT, but no more than \$182.98 per MT on New York Mercantile Exchange		
1701 11 100 8	at average monthly price no less than \$182.99 per MT, but no more than \$198.42 per MT on New York Mercantile Exchange	\$180 per MT	\$164 per MT
1701 11 100 9	at average monthly price no less than \$198.43 per MT on New York Mercantile Exchange	\$165 per MT	\$140 per MT
1701 11 900 1	at average monthly price no more than \$99.21 per MT on New York Mercantile Exchange	\$270 per MT	\$270 per MT
1701 11 900 2	at average monthly price no less than \$99.22 per MT, but no more than \$112.44 per MT on New York Mercantile Exchange	\$270 per MT	\$250 per MT
1701 11 900 3	at average monthly price no less than \$112.45 per MT, but no more than \$125.66 per MT on New York Mercantile Exchange	\$250 per MT	\$235 per MT
1701 11 900 4	at average monthly price no less than \$125.67 per MT, but no more than \$141.10 per MT on New York Mercantile Exchange	\$240 per MT	\$221 per MT
1701 11 900 5	at average monthly price no less than \$141.11 per MT, but no more than \$154.32 per MT on New York Mercantile Exchange	\$225 per MT	\$206 per MT
1701 11 900 6	at average monthly price no less than \$154.33 per MT, but no more than \$167.55 per MT on New York Mercantile Exchange	\$210 per MT	\$194 per MT
1701 11 900 7	at average monthly price no less than \$167.56 per MT, but no more than \$182.98 per MT on New York Mercantile Exchange	\$195 per MT	\$180 per MT
1701 11 900 8	at average monthly price no less than \$182.99 per MT, but no more than \$198.42 per MT on New York Mercantile Exchange	\$180 per 1,000 MT	\$164 per MT
1701 11 900 9	at average monthly price no less than \$198.43 per MT on New York Mercantile Exchange	\$165 per MT	\$140 per MT
1701 91 000 1	at average monthly price no more than	\$270 per MT	\$270 per MT

	\$99.21 per MT on New York Mercantile Exchange		
1701 91 000 2	at average monthly price no less than \$99.22 per MT, but no more than \$112.44 per MT on New York Mercantile Exchange	\$270 per MT	\$250 per MT
1701 91 000 3	at average monthly price no less than \$112.45 per MT, but no more than \$125.66 per MT on New York Mercantile Exchange	\$250 per MT	\$235 per MT
1701 91 000 4	at average monthly price no less than \$125.67 per MT, but no more than \$141.10 per MT on New York Mercantile Exchange	\$240 per MT	\$221 per MT
1701 91 000 5	at average monthly price no less than \$141.11 per MT, but no more than \$154.32 per MT on New York Mercantile Exchange	\$225 per MT	\$206 per MT
1701 91 000 6	at average monthly price no less than \$154.33 per MT, but no more than \$167.55 per MT on New York Mercantile Exchange	\$210 per MT	\$194 per MT
1701 91 000 7	at average monthly price no less than \$167.56 per MT, but no more than \$182.98 per MT on New York Mercantile Exchange	\$195 per MT	\$180 per MT
1701 91 000 8	at average monthly price no less than \$182.99 per MT, but no more than \$198.42 per MT on New York Mercantile Exchange	\$180 per MT	\$164 per MT
1701 91 000 9	at average monthly price no less than \$198.43 per MT on New York Mercantile Exchange	\$140 per MT	\$140 per MT

Higher Duties Expected in 2011

The Russian government budget committee, headed by Prime Minister Vladimir Putin, approved a plan which will raise import duties on raw sugar in 2011 to the level providing competitive advantage to the Russian beet sugar industry; yet to be determined. The plan will be considered by the Russian government in late May 2009. A new Ministry of Agriculture draft program for support of the domestic sugar industry from 2010-2012 envisions raising the percentage of white sugar made from domestic sugar beets from 55 percent in 2006 to 67 percent by 2012.

[1] According to a telegram of the Russian Customs Service of April 30, 2009 # TF-557, the

present resolution enters into force with regard to goods classified by codes of the TN VED of Russia 1701 11 100 2; 1701 11 900 2; and 1701 91 000 2 beginning May 28, 2009

^[2] For application of this tariff the commodities are defined exclusively by codes of the Customs Nomenclature of the Russia's Foreign Trade Activity (TN VED).