

## RUSSIA: ESTIMATES OF SUPPORT TO AGRICULTURE

Contact persons:

Olga Melyukhina

Email: [Olga.Melyukhina@oecd.org](mailto:Olga.Melyukhina@oecd.org)

Tel: 33 (01) 45 24 95 61

Václav Vojtech

Email: [Vaclav.Vojtech@oecd.org](mailto:Vaclav.Vojtech@oecd.org)

Tel : 33 (01) 45 24 92 66

### DEFINITIONS AND SOURCES

**Table 1 Agricultural Support Estimates / Total Transfers** contains country Total Support Estimate (TSE) and derived indicators, which cover all agricultural production, i.e. all agricultural commodities produced in the country. Definitions of basic data sets refer to the specific programmes applied in the country. For the Producer Support Estimate (PSE) and Consumer Support Estimate (CSE), each policy measure is classified according to implementation criteria, which include: the *transfer basis* of support (output, input, area/animal numbers/receipts/income, and non-commodity criteria); whether support is based on *current or non-current basis*; whether *production is required or not* to receive payment. Each policy measure is also assigned several “labels” indicating additional implementation criteria. “MPS commodities”, which vary across countries, are those for which the market price support is explicitly calculated in Tables 4.1 – 4.10.

**Table 2 Breakdown of PSE by Commodity and Other Transfers** provides a breakdown of the total PSE into four categories reflecting the flexibility given to farmers regarding which commodity to produce within the various policy measures. These categories are: Single Commodity Transfers (SCT); Group Commodity Transfers (GCT); All Commodity Transfers (ACT); and Other Transfers to Producers (OTP). All data sets in Table 2 come from Table 1 and Tables 3.1 – 3.12 where definitions are included.

**Tables 3.1 – 3.14 Producer Single Commodity Transfers** contain producer SCT by commodity, which are calculated for Russia for the following commodities: wheat, maize, other grains (barley, rye and oats), oilseeds (sunflower), sugar, milk, beef and veal, pig meat, poultry meat, eggs, and potatoes, (Tables 3.1-3.13) provided that the value of production of that commodity exceeds 1% of the total value of production. In addition, SCT for “non-MPS commodities” is also calculated (Table 3.14), which covers transfers to *single commodities other than MPS commodities*. All data sets in the calculation of producer SCT by commodity come from Tables 1 and 4.1-4.12 where definitions are included.

**Tables 4.1 – 4.13** contain **Market Price Support (MPS)** and **Consumer Single Commodity Transfers** (consumer SCT) by commodity, calculated for the same set of commodities as in **Tables 3.1 to 3.14**. Definitions are provided only for basic data sets from which all the other data sets in this table are derived.

All values for all years are expressed in nominal units of local currency, Russian *rouble* redenominated in 1998.

Definitions of the indicators, criteria for classification of policy transfers included in support estimation, and methods of calculation are contained in [the PSE Manual](#) (OECD’s *Producer Support Estimate and Related indicators of Agricultural Support: Concepts, Calculations, Interpretation and Use*).

**TABLE 1: RUSSIA: Total Support Estimate**

***Definitions:***

**I. Total value of production (at farm gate):** Total agricultural production valued at farm gate prices, i.e. value (at farm gate) of all agricultural commodities produced in the country [1].

*I.1. Of which share of MPS commodities (%):* Share of commodities for which MPS is explicitly calculated (in Tables 4.1-4-11) in the total value of agricultural production.

**II. Total value of consumption (at farm gate):** Consumption of all commodities domestically produced valued at farm gate prices, and estimated by increasing the value of consumption (at farm gate) of the MPS commodities according to their share in the total value of agricultural production [(II.1) / (I.1) x100].

*II.1. Of which MPS commodities:* Sum of the value of consumption (at farm gate prices) of the MPS commodities as indicated in Tables 4.1-4.11.

**III.1 Producer Support Estimate (PSE):** Associated with total agricultural production, i.e. for all commodities domestically produced [Sum of A to G; when negative, the amounts represent an implicit or explicit tax on producers].

***A. Support based on commodity output***

*A.1. Market Price Support:* On quantities domestically produced (excluding for on-farm feed use – *Excess Feed Cost*) of all agricultural commodities, estimated by increasing the MPS for the MPS commodities according to their share in the total value of agricultural production  $[(\sum \text{MPS for MPS commodities listed in the rows below}) / (I.1) \times 100]$ .

***A.2. Payments based on output***

*Per tonne payments for milk* (from 2013).

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payment is included in SCTs for milk.

Co-financed from federal and regional budgets.

*Per tonne payments for marketed livestock products* (from 1992) – provided for milk, beef and veal, pig meat, poultry, eggs, and other livestock (sheep and lamb, pond fish, and miscellaneous livestock products).

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in SCTs for milk, beef and veal, pig meat, poultry meat, and eggs; payments for other livestock products are included in SCT for “non-MPS commodities”.

Financed from regional budgets.

*Per tonne payment for marketed wool* (from 1992).

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payment is included in SCT for “non-MPS commodities”.

Financed from regional budgets.

*Per tonne payment for marketed flax and hemp* (from 1993).

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in SCT for “non-MPS commodities”.

Co-financed from federal and regional budgets.

*Non-specified per tonne payments for crops from regional budgets.*

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in SCTs for wheat, maize, rye, barley, oats, potatoes, sunflower, sugar and other crops.

Financed from regional budgets.

*Ad hoc compensation for increased feed cost (2013).*

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in SCTs for pig meat, poultry and eggs.

Financed from federal budget.

*Payments based on output discontinued or effective only during the period of planned economy*

*Per tonne subsidy for grain delivered to state stocks (1993-1994).*

Use of labels: Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in SCTs for wheat, maize, rye, barley, oats

Financed from federal budget.

*Per tonne subsidy for marketed potatoes (1996-2003).*

Use of labels: Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in SCT for potatoes.

Financed from federal and regional budgets.

*Per tonne subsidy for marketed soybeans (1995-2000).*

Use of labels: Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in SCT for “non-MPS commodities”.

Financed from federal and regional budgets.

*Premium for heavy-weight marketed livestock (1986-87).*

Use of labels: Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in SCTs for beef, pig meat and poultry.

Financed from federal budget.

***B. Payments based on input use***

*B.1. Based on variable input use*

*Energy and fuel subsidies*

*Diesel fuel subsidy (from 2006) – partial compensation of cost of diesel fuel.*

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the ACT.

Co-financed from federal and regional budgets.

*Implicit gain from supplies of diesel and gas at reduced prices up to 2012 (from 2009 to 2012) – estimated transfers to producers arising from supplies of diesel fuel and gas at reduced administered prices; the total amount of transfers is calculated as the difference between the average price of diesel (gas) per tonne charged to non-agricultural buyers and the average price charged to agricultural producers, multiplied by the amount of diesel fuel (gas) sold at regulated prices to agricultural producers; this support is based on agreements between fuel suppliers and regional authorities whereby the former sell fuel to agricultural users at discounted price.*

Production limits: NO; Variable payment rates: YES; Input constraints: NO.

Payments are included in the GCT for all crops.

Co-financed from federal and regional budgets.

*Electricity subsidy* – partial compensation of cost of electricity.  
Production limits: NO; Variable payment rates: NO; Input constraints: NO.  
Payments are included in the GCT for all crops.  
Financed from regional budgets.

#### *Fertiliser and chemicals subsidies*

*Fertiliser and agricultural chemicals subsidy* (from 1993) – partial compensation of cost of mineral fertilisers and agricultural chemicals; starting from 2006, this subsidy applies only to mineral fertilisers and is provided as part the federal programme “Preservation and Restoration of Fertility of Agricultural Lands and Rehabilitation of Agro-landscapes as Russia’s National Heritage for 2006-10 and up to 2013”.  
Production limits: NO; Variable payment rates: NO; Input constraints: NO.  
Payments are included in the GCT for all crops.  
Co-financed from federal and regional budgets.

*Subsidy for purchase of herbicides and seed treatment chemicals* – partial compensation of cost of herbicides and chemicals for seed treatment.  
Production limits: NO; Variable payment rates: NO; Input constraints: NO.  
Payments are included in the GCT for “other crops”.  
Co-financed from federal and regional budgets.

*Subsidy for crop protection chemicals* – partial compensation of cost of crop protection chemicals.  
Production limits: NO; Variable payment rates: NO; Input constraints: NO.  
Payments are included in the GCT for all crops.  
Financed from federal budget.

#### *Specific variable input subsidies for crop production*

*Elite seed subsidy* (from 1993) – partial compensation of cost of purchased elite seeds, such as seeds of wheat, maize, rye, barley, oats, potatoes, sunflower, sugar beet, and other crops (fibre crops, permanent grass, flax, vegetables and melons and other crops).  
Production limits: NO; Variable payment rates: NO; Input constraints: NO.  
Payments are included in the SCT for wheat, maize, rye, barley, oats, potatoes, sunflower, sugar beet, and other crops.  
Co-financed from federal and regional budgets

*Subsidy for sugar beet production* (in 2005) – partial compensation of unspecified variable input costs to sugar beet producers.  
Production limits: NO; Variable payment rates: NO; Input constraints: NO.  
Payments are included in the SCTs for sugar beet.  
Co-financed from federal and regional budgets

*Subsidies for purchase of inputs for hops, cotton, leguminous crops and tobacco* (in 2005).  
Production limits: NO; Variable payment rates: NO; Input constraints: NO.  
Payments are included in the SCTs for “non-MPS commodities”.  
Co-financed from federal and regional budgets.

*Subsidy for sowing works* (in 2005) – partial compensation of unspecified input costs (e.g. fuel, fertiliser and seeds) for spring sowing in 2005.  
Production limits: NO; Variable payment rates: NO; Input constraints: NO.  
Payments are included in the GCT for all crops.  
Co-financed from federal and regional budgets.

*Seed subsidy* (1994-96) – partial compensation of cost of seeds for sowing  
Production limits: NO; Variable payment rates: NO; Input constraints: NO  
Payments are included in the GCT for other crops.  
Co-financed from federal and regional budgets.

*Specific variable input subsidies for livestock production*

*Pedigree livestock programme - compensation of variable costs* (from 2003) – partial compensation of costs of keeping female breeding animals, breeding bulls and the purchase of semen and embryos.  
Production limits: NO; Variable payment rates: NO; Input constraints: NO  
Payments are included in the GCT for all livestock.  
Co-financed from federal and regional budgets.

*Sectoral programme "Development of Dairy Farming and Increasing Milk Production in the Russian Federation for 2009-2012" (from 2009 to 2013) - variable costs* – partial compensation of costs of keeping animals, purchase of mixed feeds, and high-quality seeds for growing feed crops. No data is available on actual spending for these items; the amount of such spending is assumed to account for 66% of total programme expenditures.  
Production limits: NO; Variable payment rates: NO; Input constraints: NO  
Payments are included in the SCT for milk.  
Co-financed from federal and regional budgets.

*Sectoral programme "Development of Beef Cattle Farming" - variable costs (from 2009 to 2013)* – partial compensation of costs of keeping animals, purchase of mixed feeds, and high-quality seeds for growing feed crops. No data is available on actual spending for these items; the amount of such spending is assumed to account for 66% of total programme expenditures.  
Production limits: NO; Variable payment rates: NO; Input constraints: NO  
Payments are included in the SCT for beef and veal.  
Co-financed from federal and regional budgets.

*Support of regional programmes "Development of Traditional Agricultural Activities" - variable costs (from 2011 to 2013)* – No data is available on actual spending for variable cost items within these programmes; the amount of such spending is assumed to account for 30% of total programme expenditures.  
Production limits: NO; Variable payment rates: NO; Input constraints: NO  
Payments are included in the ACT.  
Co-financed from federal and regional budgets.

*Support of regional programmes "Development of Crop Farming" – variable costs – other activities (from 2012)* – No data is available on actual spending for variable cost items within these programmes; the amount of such spending is assumed to account for 30% of total programme expenditures.  
Production limits: NO; Variable payment rates: NO; Input constraints: NO  
Payments are included in the GCT for all crops.  
Co-financed from federal and regional budgets.

*Support of regional programmes "Development of Livestock Farming" - variable costs – milk farming (from 2012)* – No data is available on actual spending for variable cost items within these programmes; the amount of such spending is assumed to account for 30% of total programme expenditures.  
Production limits: NO; Variable payment rates: NO; Input constraints: NO  
Payments are included in the SCT for milk.  
Co-financed from federal and regional budgets.

*Support of regional programmes "Development of Livestock Farming" - variable costs – cattle farming (from 2012)* – No data is available on actual spending for variable cost items within these programmes; the amount of such spending is assumed to account for 30% of total programme expenditures.

Production limits: NO; Variable payment rates: NO; Input constraints: NO

Payments are included in the SCT for beef and veal.

Co-financed from federal and regional budgets.

*Support of regional programmes "Development of Livestock Farming" - variable costs – other activities (from 2012)* – No data is available on actual spending for variable cost items within these programmes; the amount of such spending is assumed to account for 30% of total programme expenditures.

Production limits: NO; Variable payment rates: NO; Input constraints: NO

Payments are included in the GCT for all livestock.

Co-financed from federal and regional budgets.

*Reindeer and maral breeding subsidy (from 2001)* – partial compensation of variable input costs to deer breeding farms in the North regions.

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the SCT for “non-MPS commodities”.

Co-financed from federal and regional budgets.

*Horse farming subsidy (from 2008)* – partial compensation of variable input costs of pastoral horse keeping for production of meat.

Production limits: NO; Variable payment rates: NO; Input constraints: NO

Payments are included in the SCT for “non-MPS commodities”.

Co-financed from federal and regional budgets.

*Sheep farming subsidy (from 2008)* – per head payment for breeding ewes and goats.

Production limits: NO; Variable payment rates: NO; Input constraints: NO

Payments are included in the SCT for “non-MPS commodities”.

Co-financed from federal and regional budgets.

*Apiculture, sericulture and fur animal subsidies (2005)* – partial compensation of variable input costs in apiculture, sericulture and fur animal breeding.

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the SCT for “non-MPS commodities”.

Co-financed from federal and regional budgets.

*Mixed feed subsidy (from 1992)* – partial compensation of cost of feeds purchased by large livestock production units (feedlots, milk complexes, poultry and egg factories).

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the GCT for all livestock.

Co-financed from federal and regional budgets.

#### *Interest subsidies for short-term credit*

*Interest subsidy (from 2013) – short-term loans for crop production* – interest subsidy on short-term bank loans provided within the framework of the State Programme for Development of Agriculture for 2013-20 to crop producers and co-subsidised by federal and regional budgets; the final borrower covers the difference between the bank interest and the part of interest co-subsidised by the federal and regional governments. The subsidy rate and the respective contributions of the federal and regional governments are

expressed as fractions of the Central Bank of Russia refinancing rate, with these fractions varying depending on the purpose for which the loan is taken and the type of borrower.

Production limits: NO; Variable payment rates: YES; Input constraints: NO.

Payments are included in the GCT for all crops.

Co-financed from federal and regional budgets.

*Interest subsidy (from 2013) – short-term loans for livestock production* – interest subsidy on short-term bank loans within the framework of the State Programme for Development of Agriculture for 2013-20 to livestock producers and co-subsidised by federal and regional budgets; the final borrower covers the difference between the bank interest and the part of interest co-subsidised by the federal and regional governments. The subsidy rate and the respective contributions of the federal and regional governments are expressed as fractions of the Central Bank of Russia refinancing rate, with these fractions varying depending on the purpose for which the loan is taken and the type of borrower.

Production limits: NO; Variable payment rates: YES; Input constraints: NO.

Payments are included in the GCT for all livestock.

Co-financed from federal and regional budgets.

*Interest subsidy (from 2013) – short-term loans for milk production* – interest subsidy on short-term bank loans within the framework of the State Programme for Development of Agriculture for 2013-20 to milk producers and co-subsidised by federal and regional budgets; the final borrower covers the difference between the bank interest and the part of interest co-subsidised by the federal and regional governments. The subsidy rate and the respective contributions of the federal and regional governments are expressed as fractions of the Central Bank of Russia refinancing rate.

Production limits: NO; Variable payment rates: YES; Input constraints: NO.

Payments are included in the GCT for milk.

Co-financed from federal and regional budgets.

*Interest subsidy (from 2013) – short-term loans at regional level beyond the State Programmes* – interest subsidy on short-term bank loans to agricultural producers.

Production limits: NO; Variable payment rates: YES; Input constraints: NO.

Payments are included in the ACT.

Financed from federal and regional budgets.

*Interest subsidy (between 1992 and 2012): General programme – short-term loans for agricultural production* – interest subsidy on short-term bank loans to agricultural producers, co-subsidised by federal and regional budgets; the final borrower covers the difference between the bank interest and the part of interest co-subsidised by the federal and regional governments. The subsidy rate and the respective contributions of the federal and regional governments are expressed as fractions of the Central Bank of Russia refinancing rate, with these fractions varying depending on the purpose for which the loan is taken and the type of borrower. The amount of budgetary allocations shown under this item corresponds to an estimated share of agricultural producers in the total budgetary allocations for interest subsidies on short-term bank loans, with the rest included under the CSE category P.1. “Non-commodity specific transfers to consumers” as interest rate subsidy for short-term loans to food processors and other downstream agents.

Production limits: NO; Variable payment rates: YES; Input constraints: NO.

Payments are included in the ACT.

Co-financed from federal and regional budgets as of 2004 (up to 2003, financed from the federal budget).

*Regional interest rate subsidies* (in 2001-04) – implicit transfer arising from reduced interest rate on loans provided from regional budgets for sowing, including purchase of fuel, seeds and other inputs; this transfer is calculated as the difference between the average market interest rate for short-term credit and the

preferential rate (equal to two thirds of the Central Bank of Russia refinancing rate), multiplied by the estimated outstanding credit in a given year.

Production limits: NO; Variable payment rates: YES; Input constraints: NO.

Payments are included in the GCT for all crops.

#### Debt restructuring

*Restructuring of overdue debt on state directed agricultural loans issued in 1992-1994* (a restructuring scheme implemented over the period of 1992-2002) – implicit transfer is estimated as the sum of the: (i) reduction in interest rate payments on restructured debt, estimated as the difference between the average market interest rate on short-term credit and the preferential rate set according to the conditions of the restructuring, multiplied by the estimated outstanding debt in a given year; (ii) written off part of the main debt, written off penalties and overdue interest.

Production limits: NO; Variable payment rates: YES; Input constraints: NO.

Payments are included in the ACT.

Estimated implicit transfer.

#### Insurance subsidies

*Crop insurance subsidy* – partial compensation of insurance premium payments to producers who have crop insurance contracts with government-listed insurance companies covering specified types of risks.

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the SCTs for wheat, maize, rye, barley, oats, potatoes, sunflower, sugar and “non-MPS commodities”.

Co-financed from federal and regional budgets.

*Livestock insurance subsidy* (from 2013) – partial compensation of insurance premium payments to producers who have livestock insurance contracts with government-listed insurance companies covering specified types of risks.

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the SCT for all livestock.

Co-financed from federal and regional budgets.

#### Disaster payments

*Compensation of production costs to producers affected by natural disasters* (2013)

Production limits: NO; Variable payment rates: YES; Input constraints: NO.

Payments are included in the SCT for all crops.

Co-financed from federal and regional budgets

#### Non-specified variable input subsidies

*Non-specified variable input subsidies for the crop sector* (from 2005).

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the GCT for all crops.

Financed from regional budgets.

*Non-specified variable input subsidies for the livestock sector* (from 2005).

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the GCT for all livestock.

Financed from regional budgets.



*Other non-specified variable input subsidies for the livestock sector paid from regional budgets (in 2002 and 2005).*

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the GCT for all livestock.

Financed from regional budgets.

*Non-specified variable input subsidies to all products.*

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the ACT.

Financed from regional budgets.

*Variable input subsidies discontinued or effective only during the period of planned economy*

*Energy subsidy for greenhouses (1992-2004)* – partial compensation of cost of natural gas and stove fuel, and electricity used in greenhouses.

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the GCT for vegetables.

Co-financed from federal and regional budgets.

*Electricity price subsidy (1986-2003)* – implicit subsidy arising from electricity price regulation, whereby prices charged to agricultural producers are set below those charged to industrial users. The total amount of subsidy is calculated as the difference between the electricity price per kilowatt/hour charged to industrial and the electricity price charged to agricultural users, multiplied by the amount of kilowatt/hours of electricity consumed by agricultural producers in a given year.

Production limits: NO; Variable payment rates: YES; Input constraints: NO.

Payments are included in the ACT.

Implicitly calculated transfer.

*Ad hoc fuel subsidy (1992-1993)* – partial compensation of cost of fuel (gasoline and diesel fuel) and motor lubricants to agricultural producers.

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the ACT.

Financed from federal budget.

*Price difference for fertilisers (up to 1989)* – budgetary transfers to fertiliser plants to compensate the difference between fertiliser prices charged to agricultural producers and “normative” fertiliser manufacturer prices, the former being set below the manufacturer prices.

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the GCT for all crops.

*Ad hoc compensation for input price increases in 1991 (1992)*

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the ACT.

Financed from federal budget.

*B.2. Based on fixed capital formation*

*Renewal and reconstruction of on-farm irrigation and drainage systems* – partial compensation of costs incurred in reconstruction and renewal of irrigation systems, drainage systems, construction of soil-saving hydraulic structures.

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the GCT for all crops.

Co-financed from federal and regional budgets.

*Renewal and reconstruction of on-farm irrigation and drainage systems – State Programme for Development of Agriculture for 2013-20* – partial compensation of costs incurred in reconstruction and renewal of irrigation systems, drainage systems, construction of soil-saving hydraulic structures financed within the State Programme for Development of Agriculture for 2013-20.

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the GCT for all crops.

Co-financed from federal and regional budgets.

*Public capital grants for construction and re-construction of production structures on farms* (agricultural organisations).

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the ACT.

Co-financed from federal and regional budgets.

*Public capital grants for construction of milk complexes (from 2015)* – 20% or 30% grant on the value of investment in large milk production units, depending on the type of project. For the Far East region the grant is increased to 25% or 35% of the value of investment. Since 2016, the grant can also cover equipment and technologies associated with the co-funded objects under construction.

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the SCT for milk.

Co-financed from federal and regional budgets.

*Public capital grants for construction of greenhouses (from 2015)* – 20% or 30% grant on the value of investment in greenhouses, depending on the type of project. For the Far East region the grant is increased to 25% or 35% of the value of investment. Since 2016, the grant can also cover equipment and technologies associated with the co-funded objects under construction.

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the GCT for vegetables.

*Investment in public production structures in the livestock sector (from 2014)*

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the GCT for all livestock.

Co-financed from federal and regional budgets.

*Programmes of regional support: regional public investments in the Far North region.*

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the ACT.

Financed from regional budgets.

*Pedigree livestock programme – fixed cost subsidies* – subsidies for purchase of breeding young stock and adult animals.

Production limits: NO; Variable payment rates: NO; Input constraints: NO

Payments are included in the GCT for all livestock.

Co-financed from federal and regional budgets.

*Establishment of permanent crop plantations* – per hectare payment for establishment of permanent crop plantations.

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the GCT for other crops.

Co-financed from federal and regional budgets.

*Sectoral programme "Development of Dairy Farming and Increasing Milk Production in the Russian Federation for 2009-2012"* (between 2009 and 2013) - *fixed cost subsidies*: purchase of young animals, purchase and keeping of breeding animals, genetic improvement, and other costs. No data is available on actual spending for these items; the amount of such spending is assumed to account for 30% of total programme expenditures.

Production limits: NO; Variable payment rates: NO; Input constraints: NO

Payments are included in the SCT for milk.

Co-financed from federal and regional budgets.

*Sectoral programme "Development of Beef Cattle Farming"* - *fixed cost subsidies (from 2009 to 2013)* – purchase of young animals, purchase and keeping of breeding animals, genetic improvement, and other costs. No data is available on actual spending for these items; the amount of such spending is assumed to account for 30% of total programme expenditures.

Production limits: NO; Variable payment rates: NO; Input constraints: NO

Payments are included in the SCT for beef and veal.

Co-financed from federal and regional budgets.

*Support of regional programmes "Development of Traditional Agricultural Activities"* – *fixed cost subsidies (from 2011 to 2013)* – No data is available on actual spending for fixed cost items within these programmes; the amount of such spending is assumed to account for 66% of total programme expenditures.

Production limits: NO; Variable payment rates: NO; Input constraints: NO

Payments are included in the ACT.

Co-financed from federal and regional budgets.

*Support of regional programmes "Development of Crop Farming"* – *fixed cost subsidies – other activities (from 2012)* – No data is available on actual spending for variable cost items within these programmes; the amount of such spending is assumed to account for 66% of total programme expenditures.

Production limits: NO; Variable payment rates: NO; Input constraints: NO

Payments are included in the GCT for all crops.

Co-financed from federal and regional budgets.

*Support of regional programmes "Development of Livestock Farming"* – *fixed cost subsidies – milk farming (from 2012)* – No data is available on actual spending for variable cost items within these programmes; the amount of such spending is assumed to account for 66% of total programme expenditures.

Production limits: NO; Variable payment rates: NO; Input constraints: NO

Payments are included in the SCT for milk.

Co-financed from federal and regional budgets.

*Support of regional programmes "Development of Livestock Farming"* – *fixed cost subsidies – cattle farming (from 2012)* – No data is available on actual spending for variable cost items within these programmes; the amount of such spending is assumed to account for 66% of total programme expenditures.

Production limits: NO; Variable payment rates: NO; Input constraints: NO

Payments are included in the SCT for beef and veal.

Co-financed from federal and regional budgets.

*Support of regional programmes "Development of Livestock Farming" – fixed cost subsidies – other activities (from 2012)* – No data is available on actual spending for variable cost items within these programmes; the amount of such spending is assumed to account for 66% of total programme expenditures.

Production limits: NO; Variable payment rates: NO; Input constraints: NO

Payments are included in the GCT for all livestock.

*Interest subsidy (from 2013) – investment loans for crop production* – interest subsidy on long-term bank loans provided within the framework of the State Programme for Development of Agriculture for 2013-20 to crop producers, co-subsidised by federal and regional budgets; the final borrower covers the difference between the bank interest and the part of interest co-subsidised by the federal and regional governments. The subsidy rate and the respective contributions of the federal and regional governments are expressed as fractions of the Central Bank of Russia refinancing rate, with these fractions varying depending on the purpose for which the loan is taken and the type of borrower.

Production limits: NO; Variable payment rates: YES; Input constraints: NO.

Payments are included in the GCT for all crops.

Co-financed from federal and regional budgets.

*Interest subsidy (from 2013) – investment loans for livestock production* – interest subsidy on long-term bank loans within the framework of the State Programme for Development of Agriculture for 2013-20 to livestock producers, co-subsidised by federal and regional budgets; the final borrower covers the difference between the bank interest and the part of interest co-subsidised by the federal and regional governments. The subsidy rate and the respective contributions of the federal and regional governments are expressed as fractions of the Central Bank of Russia refinancing rate, with these fractions varying depending on the purpose for which the loan is taken and the type of borrower.

Production limits: NO; Variable payment rates: YES; Input constraints: NO.

Payments are included in the GCT for all livestock.

Co-financed from federal and regional budgets.

*Interest subsidy (from 2015) – investment loans for meat production* – interest subsidy on long-term bank loans within the framework of the State Programme for Development of Agriculture for 2013-20 to meat livestock producers, co-subsidised by federal and regional budgets; the final borrower covers the difference between the bank interest and the part of interest co-subsidised by the federal and regional governments. The subsidy rate and the respective contributions of the federal and regional governments are expressed as fractions of the Central Bank of Russia refinancing rate, with these fractions varying depending on the purpose for which the loan is taken and the type of borrower.

Production limits: NO; Variable payment rates: YES; Input constraints: NO.

Payments are included in the GCT for all livestock.

Co-financed from federal and regional budgets.

*Interest subsidy (from 2015) – investment loans for milk production* – interest subsidy on long-term bank loans within the framework of the State Programme for Development of Agriculture for 2013-20 to milk producers, co-subsidised by federal and regional budgets; the final borrower covers the difference between the bank interest and the part of interest co-subsidised by the federal and regional governments. The subsidy rate and the respective contributions of the federal and regional governments are expressed as fractions of the Central Bank of Russia refinancing rate, with these fractions varying depending on the purpose for which the loan is taken and the type of borrower.

Production limits: NO; Variable payment rates: YES; Input constraints: NO.

Payments are included in the SCT for milk.

Co-financed from federal and regional budgets.

*Interest subsidy (from 2013) – investment loans at regional level beyond the State Programme*– interest subsidy on long-term bank loans to agricultural producers.

Production limits: NO; Variable payment rates: YES; Input constraints: NO.

Payments are included in the ACT.

Financed from federal and regional budgets.

*Interest rate subsidy: General programme (between 2005 and 2012) – long-term loans* – interest subsidy on long-term bank loans to agricultural producers, co-subsidised by federal and regional budgets; the final borrower covers the difference between the bank interest and the part of interest co-subsidised by the federal and regional governments. The subsidy rate and the respective contributions of the federal and regional governments are expressed as fractions of the Central Bank of Russia refinancing rate, with these fractions varying depending on the purpose for which the loan is taken and the type of borrower. The amount of budgetary allocations shown under this item corresponds to an estimated share of agricultural producers in the total budgetary allocations for interest subsidies on long-term bank loans, with the rest included under the CSE category P.1. “Non-commodity specific transfers to consumers” as interest rate subsidy for short-term loans to food processors and other downstream agents..

Production limits: NO; Variable payment rates: YES; Input constraints: NO.

Payments are included in the ACT.

Co-financed from federal and regional budgets as of 2004 (up to 2003, financed from the federal budget).

*Interest subsidy: small producers and co-operatives (between 2006 and 2012) – long-term loans*– partial budgetary compensation of interest on medium and long-term loans provided by banks to smallholder agricultural producers and agricultural co-operatives. The subsidy rate and respective contributions of the federal and regional governments are set as fractions of the Central Bank of Russia refinancing rate, with these fractions varying depending on the purpose for which the loan is taken and the type of borrower.

Production limits: NO; Variable payment rates: YES; Input constraints: NO.

Payments are included in the ACT.

Co-financed from federal and regional budgets.

*Restructuring of overdue debt on federal taxes (from 1992) – implicit transfer to producers arising from restructuring of overdue debt on federal taxes and contributions to the State Pension and Social Security Systems carried out in 1998, 2001, 2002 and 2004.* The implicit transfer is estimated as the sum of the: (i) transfers arising from reduced interest rate on restructured debt, estimated as the difference between the average market interest rate on short-term credit and the preferential interest rate set according to the conditions of the restructuring, multiplied by the estimated outstanding restructured debt in a given year; (ii) written off part of the main debt, written off penalties and written off part of the overdue interest.

Production limits: NO; Variable payment rates: YES; Input constraints: NO.

Payments are included in the ACT.

Estimated implicit transfer.

*Leasing of agricultural machinery – implicit subsidy from reduced leasing payment rate* – transfers arising from reduced leasing fee for machinery leased within the State Machinery Leasing Programme. These transfers are estimated as the difference between the average market interest rate and a leasing fee rate charged by the state company *RosAgroLeasing*, multiplied by the estimated value of outstanding leasing credit.

Production limits: NO; Variable payment rates: YES; Input constraints: NO.

Payments are included in the ACT.

Estimated implicit transfer.

*Leasing of equipment for livestock production – implicit subsidy from reduced leasing payment rate* – transfers arising from reduced leasing fee for livestock equipment leased within the State Machinery Leasing Programme. These transfers are estimated as the difference between the average market interest

rate and a leasing fee rate charged by the state company *RosAgroLeasing*, multiplied by the estimated value of outstanding leasing credit.

Production limits: NO; Variable payment rates: YES; Input constraints: NO.

Payments are included in the GCT for livestock.

Estimated implicit transfer.

*Leasing of pedigree livestock – implicit subsidy from reduced leasing payment rate* – transfers arising from reduced leasing fee for pedigree livestock leased within the State Machinery Leasing Programme. These transfers are estimated as the difference between the average market interest rate and a leasing fee rate charged by the state company *RosAgroLeasing*, multiplied by the estimated value of outstanding leasing credit.

Production limits: NO; Variable payment rates: YES; Input constraints: NO.

Payments are included in the SCT for livestock.

Estimated implicit transfer.

*Regional direct subsidies to advance payments and payments for leased machinery and livestock (2013 and 2015)* – partial compensation of advance payments by agricultural producers on leased machinery and livestock.

Production limits: NO; Variable payment rates: YES; Input constraints: NO.

Payments are included in the ACT.

Financed from regional budgets.

*50% price discount for machinery and equipment* – budgetary allocations to compensate the state company *RosAgroLeasing* for supplies of machinery and equipment at prices with a 50% discount.

Production limits: NO; Variable payment rates: YES; Input constraints: NO.

Payments are included in the ACT.

Financed from federal budget.

*Start-up grants for individual farmers (from 2012)*

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the ACT.

Co-financed from federal and regional budgets.

*Development of family livestock farms (from 2012)*

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the GCT for all livestock.

Co-financed from federal and regional budgets.

*Non-specified fixed cost subsidies for the crop sector (from 2005)*

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the GCT for all crops.

*Non- specified fixed cost subsidies for the livestock sector (from 2001)*

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the GCT for all livestock.

*Payments for return of non-utilised agricultural land into cultivation (in 2005) – partial compensation of variable costs incurred in soils re-cultivation works.*

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the ACT.

Co-financed from federal and regional budgets.

*Fixed input subsidies discontinued or effective only during the period of planned economy*

*Investments in soil improvement* (up to 2005) – partial compensation of costs incurred in soil improvement works; from 2002 provided as part the federal programme “Enhancement of Soil Fertility and Rehabilitation of Agro-landscapes as Russia’s National Heritage”.

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the ACT.

Co-financed from federal and regional budgets.

*Subsidy for purchase of progressive machinery, equipment and other components of progressive technologies* (in 2005).

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the ACT.

Co-financed from federal and regional budgets.

*Public capital grants for construction and reconstruction of poultry and pig complexes* (in 2003);

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the GCT for poultry and pig meat.

Co-financed from federal and regional budgets.

*Fundamental land improvement* (up to 1997) – partial compensation of costs incurred in various works on land improvement.

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the ACT.

Financed from federal budget.

*Preferential investment loans for setting-up private family farms* (in 1991-95).

Production limits: NO; Variable payment rates: YES; Input constraints: NO.

Payments are included in the ACT.

Financed from federal budget.

*Ad hoc machinery and equipment subsidy* (in 1992) – *ad hoc* price subsidy for purchase of new machinery and equipment to agricultural producers who deliver to state purchasing agencies in excess of the obligatory targets.

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the ACT.

*Price difference for agricultural machinery and equipment* (up to 1989) - budgetary transfers to manufacturers of agricultural machinery and equipment to compensate for the difference between prices charged to agricultural producers and “normative” manufacturer prices, the former being set below the manufacturer prices.

Production limits: NO; Variable payment rates: YES; Input constraints: NO.

Payments are included in the ACT.

*B.3. Based on use of on-farm services*

*Feed and seed transportation subsidy to the regions with difficult natural conditions* (from 1993) – partial compensation of cost of transporting feed and seeds to areas affected by natural disasters.

Production limits: NO; Variable payment rates: YES; Input constraints: NO.

Payments are included in the ACT.

Co-financed from federal and regional budgets.

*Subsidy for transportation of agricultural goods – agricultural producers (2014-15)* – budgetary transfers to transport companies as compensation for reduced tariff applied in transportation of agricultural goods. Both agricultural producers and downstream operators are eligible for the reduced tariff rate. No data is available on actual shares of these two groups of beneficiaries. It is assumed that 50% of the total budgetary expenditure corresponds to the share of agricultural producers and 50% to downstream companies (the share of downstream operators is allocated to CSE category P2. *Non-commodity specific transfers to consumers*).

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the ACT.

Co-financed from federal and regional budgets.

*Sectoral programme "Development of Dairy Farming and Increasing Milk Production in the Russian Federation for 2009-2012" - services costs (between 2009 and 2013)* – subsidies for creation of service centres for artificial insemination, improvement of qualification of workers and communication. No data is available on actual spending for the services cost; the amount of such spending is assumed to account for 4% of total programme expenditures.

Production limits: NO; Variable payment rates: NO; Input constraints: NO

Payments are included in the GCT for milk.

Co-financed from federal and regional budgets.

*Sectoral programme "Development of Beef Cattle Farming" - services costs (between 2009 and 2013)* – subsidies for cross-breeding and embryo transplantation. No data is available on actual spending for the services costs; the amount of such spending is assumed to account for 4% of total programme expenditures.

Production limits: NO; Variable payment rates: NO; Input constraints: NO

Payments are included in GCT for beef and veal.

Co-financed from federal and regional budgets.

*Support of regional programmes "Development of Traditional Agricultural Activities" – services costs (between 2011 and 2013)* – No data is available on actual spending for services cost items within these programmes; the amount of such spending is assumed to account for 4% of total programme expenditures.

Production limits: NO; Variable payment rates: NO; Input constraints: NO

Payments are included in the ACT.

Co-financed from federal and regional budgets.

*Support of regional programmes "Development of Crop Farming" – services costs – other activities (from 2012)* – No data is available on actual spending for services cost items within these programmes; the amount of such spending is estimated assuming that it accounts for 4% of total programme expenditures.

Production limits: NO; Variable payment rates: NO; Input constraints: NO

Payments are included in the GCT for all crops.

Co-financed from federal and regional budgets.

*Support of regional programmes "Development of Livestock Farming" – services costs – milk farming (from 2012)* – No data is available on actual spending for services cost items within these programmes; the amount of such spending is assumed to account for 4% of total programme expenditures.

Production limits: NO; Variable payment rates: NO; Input constraints: NO

Payments are included in the SCT for milk.

Co-financed from federal and regional budgets.



*Support of regional programmes "Development of Livestock Farming" – services costs – cattle farming (from 2012)* – No data is available on actual spending for services cost items within these programmes; the amount of such spending is assumed to account for 4% of total programme expenditures.

Production limits: NO; Variable payment rates: NO; Input constraints: NO

Payments are included in the SCT for beef and veal.

Co-financed from federal and regional budgets.

*Support of regional programmes "Development of Livestock Farming" – services costs – other activities (from 2012)* – No data is available on actual spending for services cost items within these programmes; the amount of such spending is assumed to account for 4% of total programme expenditures.

Production limits: NO; Variable payment rates: NO; Input constraints: NO

Payments are included in the GCT for all livestock.

Co-financed from federal and regional budgets.

*Anti-epizootic services (from 1986)* – full or partial compensation of anti-epizootic services on farms, such as examinations, vaccinations and other activities;

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the GCT for all livestock.

Co-financed from federal and regional budgets.

*On-farm anti-epizootic measures financed from regional budgets* – full or partial compensation of the cost of anti-epizootic services on farms, such as examinations, vaccinations and other activities financed from regional budgets;

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the GCT for all livestock.

Financed from regional budgets.

*Measures for control and prevention of African Swine Fever* – full or partial compensation of the cost of anti-epizootic measures on farms;

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the SCT for pig meat.

Co-financed from federal and regional budgets.

### ***C. Payments based on current area planted/animal numbers/receipts/income – production required***

*Area payment to crop producers (starting in 2013)* – payment per hectare of area planted to grains, pulses, and feed crops.

Production limits: NO; Variable payment rates: YES; Input constraints: NO.

Payment eligibility: Area

Payments are included in the GCT for all crops.

Co-financed from federal and regional budgets.

*Area payment to producers of vegetables and elite potatoes (starting in 2016)* – payment per hectare of area planted to crops grown for seeds, including potatoes, vegetables for open air cultivation, maize, sunflower, and sugar beets.

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payment eligibility: Area

Payments are included in the GCT for vegetables

Co-financed from federal and regional budgets.

*Compensation for damage from natural disasters*: full or partial compensation of crop losses to agricultural producers affected by natural calamities.

Production limits: NO; Variable payment rates: YES; Input constraints: NO.

Payment eligibility: Area

Payments are included in the GCT for all crops.

Co-financed from federal and regional budgets.

*Maintenance of permanent crop plantations* (from 2003) – per hectare payment for maintenance of permanent crop plantations.

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payment eligibility: Area

Payments are included in the GCT for other crops.

Co-financed from federal and regional budgets.

*Subsidies for preparing low productive arable lands in northern areas for the fodder crop growing* (from 2008) – payments per hectare for fallowing low-productive arable lands in Extreme North areas and areas with similarly difficult growing conditions.

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payment eligibility: Area

Payments are included in the GCT for other crops.

Co-financed from federal and regional budgets.

*Payments to producers affected by African Swine Fever for diversification away from pig meat production* – payments per head of animal purchased to replace culled swine with other animal types.

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payment eligibility: Animal number

Payments are included in the SCT for Pig meat.

Financed from federal budget.

*Ad hoc, discontinued payments or payments effective only during the period of planned economy*

*Regional subsidies for artificial insemination* (in 2005).

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payment eligibility: Animal head

Payments are included in the GCT for all livestock.

Financed from regional budgets.

*Rural aviation subsidy* (1993-94) – compensation of cost of services of rural aviation per hectare of plantings treated.

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payment eligibility: Area

Payments are included in the GCT for all crops.

Financed from regional budgets.

*Ad hoc financing of unprofitable farms* to compensate for general increase in administered prices in 1991.

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payment eligibility: Income

Payments are included in the ACT.

Financed from regional budgets.

*Restructuring of debt to unprofitable farms (in 1986-1990).*

Production limits: NO; Variable payment rates: YES; Input constraints: NO.

Payment eligibility: Income

Payments are included in the ACT.

Financed from regional budgets.

***D. Payments based on non-current area planted/animal numbers/receipts/income – production required***

***E. Payments based on non-current area planted/animal numbers/ receipts/income – production not required***

***F. Payments based on non-commodity criteria***

*F.1. Long-term resource retirement*

*F.2. Specific non-commodity output*

*F.3. Other non-commodity criteria*

***G. Miscellaneous payments***

*Non-specified budgetary disbursement to agricultural producers (1986-2007).*

*Non-specified budgetary disbursement to agricultural producers from regional budgets (2000-04).*

**III.2 Percentage PSE**  $[100 \times (\text{III.1}) / ((\text{I}) + (\text{Sum of A2 to G}))]$

**III.3 Producer NPC:** For all agricultural commodities the producer NPC is estimated as a weighted average of the producer NPC calculated for the individual MPS commodities and shown in Table 4. For each commodity Producer NPC = [domestic price received by producers (at the farm gate) + unit payments based on output] / border price (also at the farm gate).

**III.4 Producer NAC**  $[1 / (100 - (\text{III.2})) \times 100]$

**IV. General Services Support Estimate (GSSE):** total budgetary expenditure to support general services provided to agriculture [Sum of H to N].

***H. Agricultural knowledge and innovation system***

***H.1 Agricultural knowledge generation***

Financing of research programmes and institutions – Between 1986 and 2007, total public financing of applied research in agriculture; since 2008, an aggregation of public funding provided to various research institutions and activities, including the Russian Academy of Agricultural Sciences (until its integration of the Big Academy of Sciences); financing of research programmes – Ministry of Agriculture; public financing of applied research in sanitary and phyto-sanitary area; public financing of applied agricultural research – other agencies; applied research in the area of education – agricultural component; Federal Programme of Soil Fertility: research component (2013); Federal Programme on Liquidation of Consequences of Radio Contamination: research component (2013); costs of participation in international organisations and in international research – Ministry of Agriculture; presidential grants for young researchers and PhD students.

## *H.2. Agricultural knowledge transfer*

### *H.2.a. Education*

Vocational training, re-training, and skills improvement (federal funding) – sanitary and phyto-sanitary area: 90% of total expenditures are allocated to education.

Vocational training, re-training, and skills improvement (federal funding) – agriculture: 90% of total expenditures are allocated to education.

Vocational training, re-training, and skills improvement (regional funding) – agriculture

Higher and post-university professional education

Other spending in the area of agricultural education

Federal capital grants for development of the education sector - agriculture

Public financing of agricultural education and training (before 2008): 90% of total expenditures are allocated to education.

### *H.2.b. Extension services*

Vocational training, re-training, and skills improvement (federal funding) – sanitary and phyto-sanitary area: 10% of total expenditures are allocated to extension.

Vocational training, re-training, and skills improvement (regional funding) – agriculture: 10% of total expenditures are allocated to extension.

Development of consulting and information services in rural areas

Public financing of agricultural education and training (before 2008): 10% of total expenditures are allocated to extension.

## ***I. Inspection and control***

### *I.1. Agricultural product safety and inspection*

Monitoring of commercial and consumption quality of grain

Technical regulation and ensuring the unity of measurements (2010)

Subsidies to agricultural waste disposal plants (between 2001 and 2005)

Grain inspection – Up to 2004, public financing of control network of the Grain Inspection; since 2005, the functions of the Grain Inspection were assumed by the Federal Veterinary and Phytosanitary Inspection Service.

### *1.2. Pest and disease inspection and control*

Inspection services and measures to control pests and diseases – an aggregation of public funding provided since 1986 to various institutions and activities, including the Federal Veterinary and Phytosanitary Inspection Service and affiliated network; Seed, Plant Protection and Land Inspection; Federal Programme on Liquidation of Consequences of Radio Contamination: Inspection and control component (2013); Ministry of Agriculture: Control of pests and diseases – Inspections; Inspection and control: non-specified measures; Formation of Federal Reserve of Veterinary Medicaments (2003-05); Formation of Federal Reserve of Crop Protection Chemicals (2003-05).

### *1.3. Input control*

## ***J. Development and maintenance of infrastructure***

### *J.1. Hydrological infrastructure*

Federal Programme "Improvement of Soil Fertility" (from 2001) – public investments

Federal Programme "Improvement of Soil Fertility" (from 2001) – financing of state agencies and bodies

Federal programme "Improvement of Agricultural Soils for 2014-20: Afforestation

Investments in structures against flooding, water erosion and other land protection activities – regional budgets

Investments in public water management structures

Repair and maintenance of common infrastructure – 70% of total expenditures are allocated to hydrological infrastructure

### *Financing discontinued or effective only during the period of planned economy*

Federal Programme for Development of Kaliningrad oblast (2013-15) – water management structures

Public capital grants for agricultural and rural infrastructure (up to 2006) – 70% of total expenditures are allocated to hydrological infrastructure

Land use and management (up to 1991) – water infrastructure

Central rural water supply systems and hydrological control structure in Tikhovo (2002-04)

General works on land improvement (up to 2000)

### *J.2. Storage, marketing and other physical infrastructure*

Support of regional programmes for development of crop farming – infrastructure

Support of regional programmes for development of livestock farming – infrastructure

Construction of fruit storages

Construction of potato and vegetable storages

Setting-up of wholesale distribution centres

Infrastructure services – Electricity network, market and port equipment, roads, environmental protection

Federal Programme South of Russia: Development of Ingushetiya

Repair and maintenance of common infrastructure – 30% of total expenditures are allocated to storage, marketing and other physical infrastructure

*Payments discontinued or effective only during the period of planned economy*

Public capital grants for agricultural and rural infrastructure (up to 2006) – 30% of total expenditures are allocated to storage, marketing and other physical infrastructure

Land use and management (up to 1991) – 30% of total expenditures are allocated to storage, marketing and other physical infrastructure

Construction of grain port terminals (2003)

*J.3. Institutional infrastructure*

Setting-up of centres for genetic improvement and breeding centres

Monitoring of soil fertility – State Programme for Development of Agriculture

Monitoring of soil fertility – regional expenditures

Setting-up of the state agricultural information system

*Payments discontinued or effective only during the period of planned economy*

Development and maintenance of the National Land Cadastre (2001-04)

Operational expenses of State Land Committee (1991-97)

*J.4. Farm restructuring*

Land registration assistance for individual farmers – State Programme for Development of Agriculture

Land re-registration assistance (2005)

Grants for setting up private family farms (from federal and local budgets) (1991-2000)

***K. Marketing and promotion***

*K.1. Collective schemes for processing and marketing*

Support of regional programmes for development of livestock farming – development of livestock processing

Support of regional programmes for development of crop farming - development of crop processing

Support for development of supply and marketing cooperatives of family farms; publications on agricultural co-operation; and miscellaneous expenditures related to family farming (1991-97)

#### *K.2. Promotion of agricultural products*

Marketing and promotion services for agricultural producers

Organisation of agricultural fairs (Golden Autumn), exhibitions, conferences and conferences

Promotion of agricultural products, including creation of trade marks, registration and advertising (in 2005)

#### *L. Cost of public stockholding*

Maintenance of Grain Intervention Fund

Formation and maintenance of state agro-food reserves

#### *M. Miscellaneous*

Transfers from the federal budget to Federal Company *RosAgroLeasing* for purchase of machinery and capitalisation

Transfers from the federal budget to *RosSelkhozBank* for capitalisation

Pedigree livestock programme – non-specified expenditures (from 2003).

Investments beyond Federal Targeted Programmes: construction of state-owned facilities

Non-specified expenditures for financing agencies subordinated to the federal Ministry of Agriculture

Loans and subsidies to young agricultural specialists for settlement and housing

#### *Payments discontinued or effective only during the period of planned economy*

Non-specified expenditures from local budgets of general services character

Formation of Federal Reserve of Machinery Spare Parts and Other Agricultural Inputs (1998-2000)

Formation of Federal Seed Reserve (1998-2000)

**V.1 Consumer Support Estimate (CSE):** Associated with agricultural production, i.e. for the quantities of commodities domestically produced, excluding the quantities used on-farm as feed -- excess feed cost. [Sum of O to R; when negative, the amounts represent an implicit tax on consumers].

**N. Transfers to producers from consumers:** Associated with market price support on all domestically produced commodities, estimated by increasing the transfers calculated for the MPS commodities according to their share in the total value of production  $[(N.1) / (I.1) \times 100]$ .

**N.1. Of which MPS commodities:** Sum of the values of transfers from consumers to producers associated with market price support for the MPS commodities as calculated in Tables 4.1 to 4.11.

**O. Other transfers from consumers:** Transfers to the budget associated with market price support on the quantities imported of domestically produced commodities, estimated by increasing the transfers calculated for the MPS commodities according to their share in the total value of production  $[(O.1) / (I.1) \times 100]$ .

**O.1. Of which MPS commodities:** Sum of the transfers to the budget associated with market price support on the quantities imported of the MPS commodities as calculated in Tables 4.1 to 4.11.

**P. Transfers to consumers from taxpayers**

**P.1. Commodity specific transfers to consumers:** Sum of commodity specific transfers from taxpayers to consumers (farm gate level) from Tables 4.4, 4.5, 4.6 and 4.7, including:

*Support of regional programmes “Development of Livestock Farming” - deep processing of pig meat*

*Price difference compensation to oilseed processors (1986-1991)* – direct budgetary payments to oilseed processors to compensate for the difference between administered prices paid by processors to oilseed producers and lower administered prices received by processors for processed oil.

*Price difference compensation to sugar beet processors (1986-1991)* – direct budgetary payments to sugar processors to compensate for the difference between administered prices paid by sugar plants to sugar beet producers and lower administered prices received by processors for processed sugar.

*Price difference compensation to milk processors (1986-1991)* – direct budgetary payments to milk processors to compensate for the difference between administered prices paid by processors to milk producers and lower administered prices received by processors for processed dairy products.

*Price difference compensation to processors of potatoes for starch and spirit (1986-1991)* – direct budgetary payments to potato processors to compensate for the difference between administered prices paid by processors to potato producers and lower administered prices received by processors for processed starch and spirit.

**P.2. Non-commodity specific transfers to consumers:** Sum of non-commodity specific transfers from taxpayers to consumers, including:

*Interest rate subsidy to downstream industries (from 2013) – Short-term loans for crop-processing industries:* interest subsidy within the framework of the State Programme for Development of Agriculture for 2013-20 on short-term bank loans to crop processors, co-subsidised by federal and regional budgets; the final borrower covers the difference between the bank interest and the part of interest co-subsidised by the federal and regional governments. The subsidy rate and the respective contributions of the federal and regional governments are expressed as fractions of the Central Bank of Russia refinancing rate, with these fractions varying depending on the purpose for which the loan is taken and the type of borrower.

*Interest rate subsidy to downstream industries (from 2013) – Investment loans for crop-processing industries:* interest subsidy within the framework of the State Programme for Development of Agriculture for 2013-20 on long-term bank loans to crop processors, co-subsidised by federal and regional budgets; the final borrower covers the difference between the bank interest and the part of interest co-subsidised by the federal and regional governments. The subsidy rate and the respective contributions of the federal and regional governments are expressed as fractions of the Central Bank of Russia refinancing rate, with these fractions varying depending on the purpose for which the loan is taken and the type of borrower.



*Interest rate subsidy to downstream industries (from 2013) – Short-term loans for livestock-processing industry:* interest subsidy within the framework of the State Programme for Development of Agriculture for 2013-20 on short-term bank loans to livestock processors, co-subsidised by federal and regional budgets; the final borrower covers the difference between the bank interest and the part of interest co-subsidised by the federal and regional governments. The subsidy rate and the respective contributions of the federal and regional governments are expressed as fractions of the Central Bank of Russia refinancing rate, with these fractions varying depending on the purpose for which the loan is taken and the type of borrower.

*Interest rate subsidy to downstream industries (from 2013) – Investment loans for livestock-processing industry:* interest subsidy within the framework of the State Programme for Development of Agriculture for 2013-20 on long-term bank loans to livestock processors, co-subsidised by federal and regional budgets; the final borrower covers the difference between the bank interest and the part of interest co-subsidised by the federal and regional governments. The subsidy rate and the respective contributions of the federal and regional governments are expressed as fractions of the Central Bank of Russia refinancing rate, with these fractions varying depending on the purpose for which the loan is taken and the type of borrower.

*Leasing of food processing equipment - implicit subsidy from reduced leasing payment rate* – transfers arising from reduced leasing fee for food processing equipment leased within the State Leasing Programme. These transfers are estimated as the difference between the average market interest rate and a leasing fee rate charged by the state company *RosAgroLeasing*, multiplied by the estimated value of outstanding leasing credit.

#### *Non-specified subsidies to processors*

*Subsidy for transportation of agricultural goods – downstream operators (2014-15)* – budgetary transfers to transport companies as compensation for reduced tariff applied in transportation of agricultural goods. Both agricultural producers and downstream operators are eligible for the reduced tariff rate. No data is available on actual shares of these two groups of beneficiaries. It is assumed that 50% of the total budgetary expenditure corresponds to the share of agricultural producers and 50% to downstream companies (the share of agricultural producers is allocated to PSE category *B.3 Payments Based on On-Farm Services*).

Production limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in the ACT.

Co-financed from federal and regional budgets.

*Interest rate subsidy: general programme (between 1992 and 2012) – short-term loans to food processors and other downstream agents* – interest subsidy on short-term bank loans to food processors, co-subsidised by federal and regional budgets; the final borrower covers the difference between the bank interest and the part of interest co-subsidised by the federal and regional governments. The subsidy rate and the respective contributions of the federal and regional governments are expressed as fractions of the Central Bank of Russia refinancing rate, with these fractions varying depending on the purpose for which the loan is taken and the type of borrower. The amount of budgetary allocations shown under this item corresponds to an estimated share of food processors and other downstream agents in the total budgetary allocations for interest subsidies on short-term bank loans, with the rest included under the PSE category B.1 “Payments based on variable input use” as interest rate subsidy for short-term loans to agricultural producers.

*Interest subsidy: general programme (between 1992 and 2012) – long-term loans to downstream borrowers* – interest subsidy on long-term bank loans to food processors, co-subsidised by federal and regional budgets; the final borrower covers the difference between the bank interest and the part of interest

co-subsidised by the federal and regional governments. The subsidy rate and the respective contributions of the federal and regional governments are expressed as fractions of the Central Bank of Russia refinancing rate, with these fractions varying depending on the purpose for which the loan is taken and the type of borrower. The amount of budgetary allocations shown under this item corresponds to an estimated share of food processors and other downstream agents in the total budgetary allocations for interest subsidies on long-term bank loans, with the rest included under the PSE category B.2 “Payments based on fixed capital formation” as interest rate subsidy for long-term loans to agricultural producers.

*Payments discontinued or effective only during the period of planned economy*

*Price difference compensation to processors* (1986-1991) – direct budgetary payments to processors to compensate for the difference between administered prices paid by processors to agricultural producers and lower administered prices received by processors; the compensation was provided for livestock commodities, grains, sugar beet, oilseeds and potatoes.

*Price difference compensation to retailers* (1986-1991) - direct budgetary payments to retailers to compensate for the difference between administered prices paid to food processors and lower administered prices set for retail consumers; the compensation covered principal foodstuffs.

*Food price subsidies* (1992-1994) – direct payments to processors and retailers to subsidise consumer food prices; in 1992 covered meat, milk, bread and bakery products, in 1993-1994 covered milk, bread and bakery products.

**Q. Excess Feed Cost:** Associated with market price support on quantities of domestically produced crops and used on-farm as feed as calculated (Sum of *Excess Feed Cost* in the MPS Tables 4.1, 4.2, 4.3, 4.7, 4.13).

**V.2 Percentage CSE**  $[100 \times (V.1) / ((II) + (P))]$

**V.3 Consumer NPC:** For all agricultural commodities the consumer NPC is estimated as a weighted average of the consumer NPC calculated for the individual MPS commodities and shown in Table 2. For each commodity consumer NPC = domestic price paid by consumers (at the farm gate)/ border price (at the farm gate).

**V.4 Consumer NAC**  $[(1 / (100 - (V.2))) \times 100]$

**VI. Total Support Estimate**  $[(III.1) + (IV) + (P)]$  and  $[(R) + (S) - (T)]$

**R. Transfers from consumers**  $[(N) + (O)]$

**S. Transfers from taxpayers**  $[(III.1)-(N) + (IV) + (P)]$

**T. Budget revenues**  $[(O)]$

**TABLE 2. RUSSIA: Breakdown of PSE by commodity specificity and other transfers**

All data sets in Table 2 to come from Table 1 and Tables 3.1 to 3.14 where definitions are included.

**Definitions:**

**I. Producer Single Commodity Transfers (producer SCT):** the annual monetary value of gross transfers from consumers and taxpayers to agricultural producers, measured at the farm level, arising from policy measures directly linked to the production of a single commodity such that the producer must produce the designated commodity in order to receive the payment. This includes policies where payments are specified on a per-commodity basis [Sum of SCTs for individual commodities from Tables 3.1-3.14].

**Percentage producer SCT:** is the commodity SCT expressed as a share of gross farm receipts for the specific commodities (including support in the denominator). This indicator can be expressed for the total SCT (Table 2), or for a specific commodity (Tables 3.1 to 3.14).

$$\%SCT = 100 * SCT / (Value\ of\ production_{COM} + A.2_{COM} + B_{COM} + C_{COM} + D_{COM})$$

$$Share\ in\ Total\ PSE\ (\%): SCT_{SHARE} = 100 * SCT / PSE$$

**II. Group commodity transfers (GCT):** the annual monetary value of gross transfers from consumers and taxpayers to agricultural producers, measured at the farm gate level, arising from policy measures whose payments are made on the basis that one or more of a designated list of commodities is produced. That is, a producer may produce from a set of allowable commodities and receive a transfer that does not vary with respect to this decision [GCT = B<sub>GROUP</sub> + C<sub>GROUP</sub> + D<sub>GROUP</sub>].

$$Share\ in\ Total\ PSE\ (\%): GCT_{SHARE} = 100 * GCT / PSE$$

**Transfers to specific groups of commodities:** the GCT indicator is calculated for Russia for the following groups of commodities: all crops, other crops, all livestock, as well as for poultry and pig meat, and vegetables.

**III. All commodity transfers (ACT):** the annual monetary value of gross transfers from consumers and taxpayers to agricultural producers, measured at the farm gate level, arising from policy measures that place no restrictions on the commodity produced but require the recipient to produce some commodity of their choice [ACT = C<sub>ALL</sub> + B<sub>ALL</sub> + D<sub>ALL</sub>].

$$Share\ in\ Total\ PSE\ (\%): ACT_{SHARE} = 100 * ACT / PSE$$

**IV. Other Transfers to Producers (OTP):** the annual monetary value of gross transfers made under policies that do not fall in the above three cases (SCT, GCT, ACT). That is, payments that do not require any commodity production at all. [OTP = E + F + G]

$$Share\ in\ Total\ PSE\ (\%): OTP_{SHARE} = 100 * OTP / PSE$$

$$V. Total\ PSE: PSE = A + B + C + D + E + F + G = SCT + GCT + ACT + OTP$$

$$Percentage\ PSE: \%PSE = 100 * PSE / (Total\ Value\ of\ Production\ at\ farm\ gate + A.2 + B + C + D + E + F + G)$$

**TABLE 3. RUSSIA: Producer Single Commodity Transfers** (by commodity)

Tables 3.1 to 3.14, provide information on Producer Single Commodity Transfers (PSCT) for the following commodities: wheat, maize, rye, barley, oats, sunflower, sugar beet, milk, beef, pig meat, poultry, eggs and “non-MPS commodities”. All data sets in the calculation SCT by commodity come from Table 1 and Tables 4.1 – 4.14 where definitions are included.

**Definitions:**

**I. Level of production:** Data from respective commodity Tables 4.1 – 4.14 (Market Price Support tables)

**II. Value of production (at farm gate):** Data for respective commodity Tables 4.1 – 4.14 (Market Price Support tables)

**III. Producer Single Commodity Transfers:** Sum of transfers to respective single commodity in categories A, B, C and D.

**A. Support based on commodity output**

*A1. Market Price Support* [Data for respective commodity from Tables 4.1 – 4.14]

*A2. Payments based on output*

Payments based on output (A.2) provided to respective single commodity [Data from Table 1]

**B. Payments based on input use, single commodity** [B.1<sub>COM</sub> + B.2<sub>COM</sub> + B.3<sub>COM</sub>]

*B1. Based on variable input use*

Payments based on variable input use (B.1<sub>COM</sub>) provided to respective single commodity [Data from Table 1].

*B2. Based on Fixed capital formation*

Payments based on fixed capital formation (B.2<sub>COM</sub>) provided to respective single commodity [Data from Table 1].

*B3. Based on on-farm services*

Payments based on on-farm services (B.3<sub>COM</sub>) provided to respective single commodity [Data from Table 1].

**C. Payments based on current A/An/R/I, production required, single commodity**

Payments based on current A/An/R/I (C<sub>COM</sub>) provided to respective single commodity [Data from Table 1].

**D. Payments based on non-current A/An/R/I, production required, single commodity**

Payments based on non-current A/An/R/I, production required (D<sub>COM</sub>) provided to respective single commodity [Data from Table 1].

**IV. Percentage producer SCT :** %SCT = 100\*(III) / ((II) + (A.2) + (B<sub>COM</sub>) + (C<sub>COM</sub>) + (D<sub>COM</sub>))

**TABLE 4. RUSSIA: Market Price Support and Consumer Single Commodity Transfers**

Tables 4.1 to 4.14, contain calculation of the Market Price Support (MPS) and Consumer Single Commodity Transfers (consumer SCT) for the following commodities: wheat, maize, rye, barley, oats, sunflower, sugar beet, milk, beef, pig meat, poultry, eggs, potatoes, and “non-MPS commodities”. The data sets used in calculation of the MPS and consumer SCT by commodity are described below.

**Definitions:**

**I. Level of production**

*Wheat, maize, rye, barley, oats, sunflower and potatoes:* Total domestic production [1].

*Sugar:* Total usable production of white sugar obtained from domestically produced sugar beet; up to 2003, estimated by multiplying the volume of sugar beet domestically produced by the sugar extraction rate from sugar beet (this rate specific to each year and varying between 0.13 and 0.11 in 1986-2003); as of 2004, direct data on domestic sugar production reported by Rosstat [1].

*Milk:* Total production of milk from dairy cows, goats, sheep and horses [1].

*Beef and veal:* Gross indigenous production, expressed in carcass weight (excluding sub-products of I and II category) by multiplying the quantity produced in live weight by a ratio of carcass-to-live weight which varies by year [1].

*Pig meat:* Gross indigenous production, expressed in carcass weight (excluding sub-products of I and II category) by multiplying the quantity produced in live weight by a ratio of carcass-to-live weight which varies by year [1].

*Poultry meat:* Gross indigenous production, expressed in carcass weight (excluding sub-products of I and II category) by multiplying the quantity produced in live weight by a ratio of carcass-to-live weight which varies by year [1].

*Eggs:* Total usable production of eggs in shell reported in million pieces and expressed in units of weight, assuming a weight of one egg equal to 56 g [1].

**II. Producer prices (at farm gate)**

*Wheat, maize, rye, barley, oats, sunflower and potatoes:* Annual averages of farm gate prices received by producers of all types (agricultural enterprises, individual farms and household producers), through all marketing channels, all qualities [1].

*Sugar:* Annual average of sugar beet prices at farm gate received by producers of all types (agricultural enterprises, individual farms and household producers), through all marketing channels, converted into white sugar equivalent by dividing sugar beet price by the sugar extraction rate from sugar beet which varies by year [1].

*Milk:* Annual average of farm gate prices of cow milk received by producers of all types (agricultural enterprises, individual farms and household producers) through all marketing channels [1].

*Beef and Veal:* annual average of farm gate prices of live animals received by producers of all types (agricultural organisations, family type farms and households) through all marketing channels, expressed

in carcass weight equivalent by dividing the price per tonne of live weight by the ratio of carcass-to-live weight (excluding sub-products of I and II category), which varies by year [1].

**Pig meat:** annual average of farm gate prices of live pigs received by producers of all types (agricultural organisations, family type farms and households) through all marketing channels, expressed in carcass weight equivalent by dividing the price per tonne of live weight by the ratio of carcass-to-live weight (excluding sub-products of I and II category), which varies by year [1].

**Poultry:** annual average of farm gate prices of live chickens received by producers of all types (agricultural organisations, family type farms and households) through all marketing channels, expressed in carcass weight equivalent by dividing the price per tonne of live weight by the ratio of carcass-to-live weight (excluding sub-products of I and II category), which varies by year [1].

**Eggs:** annual average of farm gate prices of fresh eggs for consumption received by producers of all types (agricultural organisations, family type farms and households) through all marketing channels; prices reported per one thousand pieces are converted into per tonne equivalent assuming a weight of one egg equal to 56 g [1].

### **III. Value of production (at farm gate) [(I)\*(II)]**

### **IV. Level of consumption (at farm gate)**

**Wheat, maize, rye, barley, oats, sunflower and potatoes:** Total domestic use (total production, plus net trade, plus change in stocks) [3].

**White sugar:** Total domestic use expressed in white sugar equivalent (total production, plus net trade, plus change in stocks) [1].

**Milk:** Total domestic use (total production, plus net trade, plus change in stocks) of cow milk, milk equivalent excluding milk used on farm as feed [1].

**Beef and veal, pig meat and poultry:** Total domestic use (total production, plus net trade, plus change in stocks), expressed in carcass weight [2].

**Eggs:** Total domestic use (total production, plus net trade, plus change in stocks) [1].

### **V. Consumption prices (at farm gate)**

Implicit prices corresponding to reference prices plus the unit value of market transfers.

### **VI. Value of consumption (at farm gate) [(IV)\*(V)]**

### **VII. Reference prices**

**Wheat (importable up to 2000, exportable as of 2001):** for 1986-2000 – EU export price of standard quality wheat (FCW 2) to specified zones, f.o.b. Rouen, calendar year [4], plus international freight [6], net of domestic handling and transportation costs [10, 11]; for 2001-09 – average f.o.b. unit value of Russian exports of wheat (NCM 100190) to all destinations [7], minus Russian domestic handling and transportation costs [10, 11]; for 2010 – price in 2009 is indexed using a simple average of price indexes for exported wheat for France and Germany based on IGC quotations [6], minus Russian domestic handling and transportation costs [10, 11]; from 2011 on – IGC quotations for exported wheat, f.o.b. Black sea [6], minus Russian domestic handling and transportation costs [12]

**Maize** (importable up to 2008, exportable as of 2009): for 1986-2004 – EU import price of USA Yellow Corn No. 3, c.i.f. Rotterdam, calendar year, extrapolated using the US Gulf No. 3 Yellow f.o.b. since 2002 [4], plus international freight [6], minus Russian domestic handling and transportation costs [10, 11]; for 2005-08 – average c.i.f. unit value of Russian imports of maize (NCM 100590) from all destinations [7, 8], plus average cost of handling and transportation to Russian wholesale markets [10, 11]; from 2009 on – IGC quotations for exported maize, f.o.b. Black sea [6], minus Russian domestic handling and transportation costs [12]

**Rye** (thinly traded commodity with switching trade): for 1986-2006 – f.o.b. export unit values of German milling rye [5], plus international transport cost [6], plus average cost of handling and transportation to Russian wholesale markets [10, 11, 12]; from 2007 on, average f.o.b. unit value of Russian exports of rye (NCM 1002) [7, 8], minus Russian domestic handling and transportation costs [10, 11].

**Barley** (importable up to 1999, exportable as of 2000): for 1986-1999 – EU export price, f.o.b. French (Rouen), calendar year [4], plus international freight [6], minus domestic handling and transportation costs [10, 11]; for 2000-04 – average unit value of Russian exports of barley (NCM 100300) to all destinations [7, 8], minus Russian domestic handling and transportation costs [10, 11]; from 2005 on – IGC quotations for exported maize, f.o.b. Black sea [6], minus Russian domestic handling and transportation costs [12] (except for 2010 for which indexed 2009 price is applied based on a simple average of barley export price indexes for France and Germany based on IGC quotations [6], minus Russian domestic handling and transportation costs [10, 11]).

**Oats** (importable up to 2004, exportable as of 2005): for 1986-2004 – EU import price, c.i.f. Rotterdam and f.o.b. Sweden price from 1995 onwards, calendar year [4], plus international freight [6], net of Russian domestic handling and transportation costs [10, 11]; as of 2005 – average f.o.b. unit value of Russian exports of oats (NCM 100400) to all destinations [7, 8], minus Russian domestic handling and transportation costs [10, 11, 12].

**Sunflower** (importable up to 1993, exportable as of 1994): 1986-1993 – EU sunflower import prices, cif, Lower Rhine; from 1994 on – average f.o.b. unit value of Russian exports of sunflower seeds (NCM 120600) [7, 8], minus Russian domestic handling and transportation costs [10, 11].

**Sugar beet/ white sugar** (importable for the whole period): for 1986-1995 – prices of white sugar, Paris, contract No. 2, European ports in bags of 50 kg, calendar year; net of Russian domestic processing, handling and transportation costs [9, 10, 11]; from 1996 on – average unit value of Russian imports of refined sugar (NCM 170199) from all destinations [7, 8], minus Russian domestic processing, handling and transportation costs [9, 10, 11].

**Potatoes** (importable for the whole period): for all years – f.o.b. export unit values of German fresh potatoes to Russia (HS-070190) (except 2014, for which German potato exports to all extra-EU markets were taken) [5], no adjustment is made for handling and transportation costs to Russia wholesale markets [10, 11].

**Milk** (importable for the whole period): for 1986-2000 – New Zealand farm gate price of milk (NZP), calendar year, actual fat content (a%), adjusted for Russian fat content (b%) as follows:  $NZP * (b\% / a\%)$ , plus transport cost for butter and skimmed-milk powder in milk equivalent (56 kg and 82 kg per tonne of milk, respectively) from New Zealand to Europe [4]; from 2001 on – Russian border prices of butter and SMP converted into a milk equivalent border price, using technical coefficients, minus Russian processing margin, calendar year milk. The border price of butter is the average c.i.f. unit value of Russian imports of butter (NCM 040500) [7], the border price of SMP is the average c.i.f. unit value of Russian imports of

skimmed milk powder (NCM 040210) [7]. For detailed explanation of the procedure to calculate milk equivalent border price see Annex 4.1 of [the PSE Manual](#)

**Beef and Veal** (*importable for the whole period*): for 1986-1999 – average unit value of EU exports in extra-EU trade of meat of bovine animals, fresh and chilled (code 0111, SITC, Rev. 3), in carcass weight equivalent, calendar year [4], net of domestic processing, handling and transportation costs [9, 10, 11]; from 2000 on – weighted average of c.i.f. unit values of Russian imports of (i) bovine carcasses fresh and chilled (NCM 020110) and (ii) bovine carcasses and half carcasses, frozen (NCM 020210) [7, 8], with weights being the shares of chilled and frozen meat in total domestic beef meat processing [13], plus average cost of handling and transportation to Russian wholesale markets, minus Russian domestic processing costs [9].

**Pig meat** (*importable for the whole period*): for 1986-1999 – average unit value of EU exports in extra-EU trade of meat of swine, fresh, chilled or frozen (Code 0122, SITC Rev3), less exports to Japan, in carcass weight equivalent, calendar year [4], net of Russian domestic processing, handling and transportation costs [9, 10, 11]; from 2000 on – weighted average of unit value of Russian imports of (i) swine carcasses and half carcasses, fresh or chilled (NCM 020311) and (ii) swine carcasses and half carcasses, frozen (NCM 020321) [7, 8], with weights being the shares of chilled and frozen meat in total domestic pig meat processing [13], plus average cost of handling and transportation to Russian wholesale markets, minus Russian domestic processing costs [9].

**Poultry meat** (*importable for the whole period*): for 1986-1999 – average unit value of EU exports in extra-EU trade of 65% and 70% chickens, fresh, chilled or frozen since 1989 (weighted average of CN 02071190 and CN 02071290 of external trade statistics), before 1989 – frozen (NIMEXE Code 020203), in carcass weight equivalent, calendar year [4], calendar year, net of handling and transportation costs [9, 10, 11]; from 2000 on – weighted average of unit values of Russian imports of (i) poultry, domestic, whole, fresh or chilled (NCM 020710) and (ii) fowls, domestic, whole, frozen (NCM 020721) [7, 8], with weights being the shares of chilled and frozen meat in total domestic poultry meat processing [13], minus Russian handling and transportation costs [9].

**Eggs** (*importable for the whole period*): for all years – average unit value of EU exports in extra-EU trade of poultry eggs in shell, fresh or preserved, other than eggs for hatching (NIMEXE Code 040514 and since 1988 CN 04070030 of external trade statistics), calendar year [4], minus Russian handling and transportation costs [10, 11].



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