

MARKET ACCESS

Customs Duties

Import duties for most food products entering Russia amount to 0.1 percent of value, in roubles; and 0.05 percent in hard currency. In addition, a customs clearance fee of 0.15 percent of value must be paid, in roubles. A general increase in tariffs is expected in the near future, prices will increase, but this should not dampen import volumes. In accordance with the circular of the State Customs Committee of November 24, 1993, "*About Changing the Import Duty Rates*": Russian authorities have established the new import duties for fish and seafood products. All fish, crustaceans and molluscs under the H.S. Code heading 03 are assessed 5 percent of value, except for three exceptions. The exceptions are: 1} 0305.1000--fish flour, fish in granules (duty free); 2} 0305.4100--all kinds of salmon (16.1 ECU per kg); 3} 0305.4940--trout (20%); and, 4} 0305.4950--eel (20%).

Health Certificate

Fish imports require a certificate of quality (health certificate) for the goods issued by the respective authorities from the country of origin, as well as a veterinary (or quarantine) certificate. The Russian recipient of the goods (or consignee), on the basis of the foreign certificate of quality, is provided with a Russian certificate of quality by Gosstandart (State Committee responsible for standardisation and certification).

Joint Ventures

Canadian exporters are facing a rapidly changing economic and commercial environment in the marketplace. In this situation it may not be enough to seek traditional buyer-seller relationships. To do business with established and emerging private firms, Canadian exporters have to consider "creative" arrangements such as joint ventures, strategic partnerships, production and marketing alliances, barter, special procurement, co-production, transfer of technology, and specialized know-how. Joint ventures have been particularly appealing to Russian entrepreneurs and preferred by many western companies. Russian resources and familiarity with local business practices, combined with the technical and marketing capabilities of foreign partners, offer better potential for success than doing it alone.

Fisheries organizations in both Russia and Canada have several prospects for mutually beneficial cooperation. Both countries have similar requirements for technology for use in harvesting, dressing, processing and storage of fish products. Products which are further processed could then be marketed back into the domestic Russian consumer markets. In addition, because Russian fishing enterprises require advanced technological equipment for processing fish, payment for equipment by means of end-products is an option which Russian firms are willing to explore.

Aquaculture is another area where cooperation between Russian and Canadian firms holds significant opportunity. Canadian experience rearing salmon in salt-water is useful to Russian enterprises, while Canadian firms might be interested in Russian expertise in raising sturgeon. Canadian companies should contact the Canadian Embassy in Moscow if they wish to establish joint-venture contacts with Russian firms in the fisheries sector.