

McDonald's French Fry Plant Planned

By [The Moscow Times](#)

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Belaya Dacha is working with a Dutch potato farmer on a facility to produce 100,000 tons of french fries annually. **Andrei Makhonin**

Agricultural producer Belaya Dacha is ready to begin construction of a factory in the Lipetsk region that will supply french fries to McDonald's fast food restaurants throughout Russia, Vedomosti reported Friday.

Belaya Dacha will work with the European Bank for Reconstruction and Development, which will have 35 percent of the venture, and Dutch potato farmer Farm Frites, which will be a 30 percent partner, the Russian company's founder Viktor Semyonov said.

More than 100 million euros will be invested in the project, 40 percent of it coming from the partners' own funds and the rest from loans, Semyonov said. They will also seek state subsidies, he added.

A spokesman for the bank said negotiations are ongoing.

Semyonov said a preliminary 5-year agreement with McDonald's has already been reached.

The factory will be built on a 10-hectare plot of land in the Lipetsk region's special economic zone and will produce up to 100,000 tons of french fries per year, he said. The goal is to replace all potato imports for the fast food giant with domestically produced ones, and have enough to supply the retail market, Semyonov added.

The first harvest is planned for 2016, for which 500 to 700 tons of seed will have to be imported from .

Russia banned the import of potatoes and potato seeds from Europe in July 2013 due to violations of phytosanitary requirements by suppliers, but Semyonov said he expects the restrictions to be lifted in the near future. Belaya Dacha is one of oldest suppliers to McDonald's Russia.

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