

Russian Meat Producer Cherkizovo Sees Profit in Food Import Ban

By [The Moscow Times](#)

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A worker arranges slabs of meat for sale at a grocery store in Moscow.

Russian meat producer Cherkizovo said Monday that a ban on agricultural imports from the West would probably have a positive impact on the company's business.

Russia banned meat, fish, dairy, fruit and vegetable imports from the U.S., the EU's 28 member states, Norway, Canada, and Australia on Thursday in retaliation against sanctions over the Ukraine crisis.

"As these restrictions will most likely support meat prices at current levels, this will be favorable for the group's financial performance," it said in a statement.

The poultry and pork producer said it did not immediately plan to increase production this year but would analyze the market environment to work out a mid-term strategy.

The company said it expected a shortfall in the pork market as domestic producers only cover

70 percent of market needs, adding that local farms could close the gap within the next two or three years with state support.

By contrast, the poultry market is already almost fully supplied by local producers and the import ban should have no major impact on prices, it said.

Russia consumes about 4 million tons of poultry and 3.5 million tons of pork a year. Annual import quotas stand at 360,000 tons for poultry and 430,000 tons for pork.

However, Russia banned pork imports from the EU in March this year for veterinary reasons. In July, Cherkizovo said those restrictions had resulted in its average pork selling price rising 50 percent in the first half of 2014.

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