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Russia Launches First Sugar Price-Fixing Cases as Inflation Rockets

By The Moscow Times

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Average food prices climbed 15.9 percent, but the price of some products has risen much faster.

Russia's anti-monopoly watchdog said Friday it had launched two cases against companies suspected of colluding to artificially hike the price of sugar, as authorities step up efforts to curb rapid food price inflation.

The price of sugar jumped 40 percent in Russia last year, according to official statistics, and the watchdog said it had received a record number of consumer complaints about sugar prices this year.

The cases are the first against sugar market firms, the Federal Anti-Monopoly Service said in a statement.

Inflation has gathered pace in Russia over the last few months, following Moscow's ban on imports of many foodstuffs produced in the European Union and United States and a sharp fall

in the value of the ruble.

Sugar prices in the Kaluga region to the southwest of Moscow have shot up between 40 percent and 70 percent since November alone, according to a local government statement released Thursday.

“The first case was opened on the sugar market last week in Penza. Three factories are suspected of a conspiracy to create an unjustified price for sugar,” the Federal Anti-Monopoly Service said.

More than 10 similar cases have been opened against food companies, the watchdog said, without specifying over what time period the investigations were initiated.

If companies are found guilty of collusion to fix prices they could be fined up to 15 percent of their revenue, according to the watchdog.

Inflation in Russia hit 11.4 percent last year.

Average food prices climbed 15.9 percent, but the price of some products has risen much faster.

Russia's Prosecutor General's Office this week launched four-day wave of price checks at supermarkets nationwide. A spokesperson said Wednesday that food price increases in some places since the ban on selected food imports in August were as high as 150 percent, the TASS news agency reported.

Russian officials have said price freezes could be imposed on goods considered socially important if inflation continues to spiral.

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