

## German Dairy Manufacturer to Launch Cheese Production in Russia

By The Moscow Times

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The Federal Anti-Monopoly Service has given the green light to German dairy producer DMK Deutsches Milchkontor to buy several Russian cheese companies, the Vedomosti newspaper reported Thursday.

The agency approved the request of DMK Deutsches Milchkontor to purchase the Bobrovsky cheese-making factory, RichArt Group, the FlamanFrakht cheese producers and the Dart lease company in the Voronezh region, as well as a number of companies in Moscow and the Moscow region which sell cheese.

According to the SPARK-Interfax database, 50 percent of all the companies DMK Deutsches Milchkontor is planning to buy belong to Igor Kalinin and Arsen Magomedov, Vedomosti reported. They were were unavailable for comment when contacted by Vedomosti.

According to the Kommersant newspaper, the German producer is seeking to buy Russian dairy companies due to the food embargo — Moscow's ban on Western food imports, imposed

by Russia as a countermeasure to the EU and U.S. sanctions over Russia's role in the Ukraine conflict.

The embargo, which deprived European suppliers of the possibility to export to Russia, has forced them to find new ways to return to the Russian market.

In March, it became known that the French agricultural company Agrial intends to set up around 100 dairy mini farms and launch the production of cheese.

Meanwhile, Vedomosti's sources said DMK Deutsches Milchkontor has been negotiating the deal with the Russian side for a long time and planned to work in Russia before the embargo was introduced.

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