

Prices For Most Staples in Russia Have Spiraled Since Food Embargo, KPMG Says

Butter, fish and cabbage have seen the biggest rises.

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Consumers are paying the price for product substitution. Moskva News Agency

Five years after the introduction of Russia's embargo on imported food products, prices for some staples have <u>soared</u>, according to a report from accounting giant KPMG commissioned by the RBC news website.

The price of butter has risen by 79% since 2014, while frozen fish is up by 68% and white cabbage 62%. Even commodities which were already being produced in large volumes in Russia have risen, with wheat flour up 25%, pasta 34% and sunflower oil 35%.

Russia introduced the embargo on a wide range of imports from the EU and other countries in 2014 in retaliation for international sanctions over Moscow's role in the Ukraine crisis.

The price increases have been caused by the reliance of Russian producers on foreign suppliers for equipment, livestock feed and agricultural materials, KPMG's research showed. Sanctions are also contributing to the problem.

The report said that food security in Russia has declined since the introduction of the embargo in terms of the availability of products, and that consumers are paying the price for substitution as both imported and locally produced products have become more expensive.

Potatoes are the only staple not to have increased in price since 2014.

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