

Pork prices continue rise in Russia

Prices for pork in Russia are on the rise as the country's ban on imports from the EU enters its third month, local experts report.



"Meat processors in Russia are attempting to replace imported pork using local sources, beef offals, MDM and sausages recipe changes," according to Alla Barinova of Bord Bia's Moscow Office.

"However, as a result of the trade embargo on key suppliers, the price of pork products has significantly increased. Many processors are tied into supply contracts and, as a result, are facing significant losses. In some cases, local sources are insufficient or unavailable, while in others, local and non-EU sources cannot satisfy demand for pork brisket."

However, she also noted that Russia's hope to use restrictions on imports as a catalyst for domestic production is likely to be hampered by a lack of foreign investments, while rising interest rates might not allow the increased demand to generate a sufficiently strong domestic supply response.

She added: "Following a rise of 10% in 2012, Russian imports of pork fell as 2013 progressed. Ireland exported 42% more pig meat in 2013, at 21,000 tonnes. Figures for the first two months of 2014 show a further fall of 11% in Russian import volumes. Much of the pork sold in the Russian stores is produced in Russia. However, the majority of factories use imported pork."

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