



14 November 2010

The Meat Industry Association and Beef + Lamb New Zealand look forward to improved market access into Russia

Beef + Lamb New Zealand (B+LNZ) and the Meat Industry Association (MIA) say improved market access in the Russian market will offer exciting opportunities for New Zealand sheep and beef farmers and industry.

The Government has announced the start of negotiations to agree a Free Trade Agreement with Russia, and the two organisations said this will advance New Zealand's ability to trade with Russia.

B+LNZ Chairman, Mike Petersen said while Russia is currently a relatively small market for the New Zealand red meat industry, it's a country with a substantial population of red meat consumers. They have increasing incomes and the potential to support significant market growth.

Over the last five years, the New Zealand red meat industry's exports to Russia have been around \$30 million annually, mainly consisting of sheepmeat and beef offals.

Exports peaked at \$56 million in 2008 before the impact of the global financial crisis softened Russian demand for imported meat last year.

MIA Chairman, Bill Falconer said that while Russian imports of red meat have been volatile, the expectation is that Russian demand for red meat will continue to increase and that a significant proportion of this increased demand will have to be met by imports.

An arrangement with Russia would be significant if it provided genuine improved access into the market.

Securing an FTA with Russia is important because it's not just about eliminating tariffs, it's also about addressing non-tariff barriers that restrict trade, he said.

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