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NOTE

From:	General Secretariat of the Council
To:	Council
Subject:	Sanctions on Russian food and agricultural product imports into the European Union in order to further weaken Russia's ability to wage its war against Ukraine <i>- Information from the Latvian delegation on behalf of the Estonian, Latvian and Lithuanian delegations</i>

Delegations will find in the [Annex](#) a note from the Latvian delegation on behalf of the Estonian, Latvian and Lithuanian delegations on the above-mentioned subject, to be dealt with under "Any other business" at the Council (Agriculture and Fisheries) on 23 January 2024.

Sanctions on Russian food and agricultural product imports into the European Union in order to further weaken Russia's ability to wage its war against Ukraine

Information from the Latvian delegation on behalf of the Estonian, Latvian and Lithuanian delegations

Ever since Russia undertook its brutal war against Ukraine, the European Union has strictly committed itself and succeeded in phasing out dependency on Russian supply. Sector after sector has been put under the EU's sanction list to eliminate the trade and ties with Russia that can benefit the Russian economy and its ability to continue the war against Ukraine, with the latest EUCO Conclusions (14-15 December 2023) reinforcing the "determination to further weaken Russia's ability to wage its war of aggression, including by further strengthening its sanctions".

Meanwhile, since food and agriculture have remained sectors where trade with Russia is not forbidden, its contribution to the Russian budget and its distorting impact on the EU Single Market is becoming more and more obvious. Income generation for Russia, growing imports of cheap Russian grain, market distortion and strong allegations that Russian imports contain the grain stolen from the Ukraine's occupied territories, is a major justification for Russian food and agricultural imports to be banned in the EU, without prejudice to transit to the third countries most in need.

By trading with Russia, the EU contributes to its revenues - in 2023, all EU countries together have imported food and agricultural products from Russia, generating huge revenues for Russian producers, traders and the Russian budget. In the first ten months of 2023, **EU countries imported a total of €2.2 billion worth of products from Russia**. Imports from Russia include all types of food and agricultural products - dairy products, fruit, vegetables, sugar confectionery, flour products, as well as cereals and animal feed: products that the EU agri-food sector can provide for itself, and with much higher production standards and quality. In addition, Russia collects export duties from its grain exporters in the most direct way. Considering the Russian export levies and the total volumes of wheat and maize imported into the EU, Russia has benefited by almost €40 million in 2023 alone.

Moreover, the EU market cannot be allowed to be destabilised by Russian products. The volume and price of Russian exports affect important EU industries, including the grain sector.

In terms of price, it is considerably disadvantageous for the EU: the export price of Russian wheat on December 6 was 222 EUR/t, at the same time the EU export price was 231 EUR/t. But Russia's grain export potential in Russian export forecasts for the 2023/2024 marketing year is reaching 50 million tons, a considerable amount in any aspect for the EU scale (USDA data).

We, Ministers of Agriculture of Latvia, Estonia and Lithuania, urge that trade of food and agricultural products should no longer fill the pockets of the brutal Russian regime:

- We call on the European Commission to carry out an assessment of Russian food and agricultural imports and the impact on the internal market of the EU, as well as the impact of food and agricultural trade on the Russian economy.
- We are also calling for the discussions in relevant EU working groups to sanction Russian food and agricultural product imports into the EU. Whereas sanctions against Russian agricultural imports shall not prohibit the export of agricultural or food products between third countries and Russia to ensure global food security as stated in EUCO conclusions (20-21 October, 2022).
- Moreover, Russia continues its strategy for weaponising food, causing disruptions of Ukrainian grain deliveries worldwide and fuelling food price inflation globally. Therefore, the major priority of the EU should be to further support Ukraine in developing the capacity of the Ukraine's grain exports, and that is not compatible with a Russian grain influx into the EU.

It is our moral duty to stop trade that can directly or indirectly contribute to the Russia's ability to continue the war against Ukraine. Any trade and dependency on Russian supply in the EU's food sector is causing insecurities and therefore is harmful for the EU and its citizens.