Barley is the staff of life

Results of the BMBU activities in 2012 and plans for 2013

1. 31.01.2012 – Enlarged meeting of the Federation Council Committee on Agrarian and Food Policy and Environmental Management: Status and development prospects of raw material base for malting and brewing industries and beer production. Problems of Legal Regulation

Result: In the decision addressed to the First Deputy Prime Minister RF V.A. Zubkov and to the relevant entities the state executive power (Federal Service for Alcohol Market Regulation, The Ministry of Economic Development and Trade, Ministry of Finance, Department of the Agro-industrial Complex of the RF Government, etc.) the need for differentiated excise taxes depending on the volume of production as well as a detailed study of the need to prohibit the use of PET containers, unmalted grain and sugar products, assess of the impact of these restrictions on the AIC and the creation of the Expert Council attached to the Federal Service for Alcohol Market Regulation are specified: http://council.gov.ru/kom_home/ccf_agripnatmgt/actions/other_actions/item2573.html.

2. 20.02.2012 – Ordinance of the Minister of Agriculture RF E.B. Skrynnik on establishment of the working group “On logistical support of agri-food market” and inclusion of the Union President Mordovin A. N. as the member of the group

Result: The companies – members of the Union takes the opportunity of direct dialogue with the leadership of ZAO Rusagrotrans and a platform for building of long-term relationships

3. 22.02.2012 - Launching of the website of the Union, as well as the website of the International Conference and the Field Day of the BMBU

Result: over 3.700 people visited the website of the Union within the first and second month and over 5.000 people within the third month that confirms the interest of diverse audiences (60 countries) to the theme of the website and the need for further development

4. 22.03.2012 – Meeting at the Ministry of Agriculture: Hop growing development in the Russian federation

Result: Decision on the need to revive domestic hop growing and its inclusion into the analytical target program “Quality brewing raw material production in Russia for the period 2013-2020”

5. 19.04.2012 – Round table discussion at the Federation Council: Status and development prospects of the brewing industry in the countries off the Customs Union

26.04.2012 – Enlarged meeting of the Federation Council Committee due to preparation of the Government Hour “On measures of state regulation of alcohol and alcohol containing products market in the RF”

27.04.2012 – Government Hour “On measures of state regulation of alcohol and alcohol containing products market in the RF” at the Federation Council office

Result: On 30.05.2012 the decision of the Federation Committee “On measures of state regulation of alcohol and alcohol containing products market in the RF” (including the part concerning the brewing industry) will be approved at the meeting of the Federation Committee of the Federal Assembly of the Russian Federation

6. 25.04.2012 – Government meeting on issues of legislative and technical regulations of enterprises of the production chain "malting barley - beer"

Result: Order to the Federal Service for Alcohol Market Regulation and to the Federation Council Committee on Agrarian and Food Policy and Environmental Management on holding a joint enlarged event with representatives of the whole production chain to discuss:

- need for a differentiated excise taxation of the industry and plans to increase excise taxes;
- creation of a separate "window" for communication of enterprises of small and medium business with the market regulator - the Federal Service for Alcohol Market Regulation;

- introduction of the three-year transition period prior to the coming into force of the restrictions on the use of PET containers;

- staff of the Expert Council to the Federal Service for Alcohol Market Regulation

7. 28.05.2012 – Agreement on scientific and technological cooperation with the People's Republic of China was signed

- 24.09.2012 – Round table meeting “Deliveries of quality Russian barley to the People's Republic of China” was held

Result: The resolution was accepted. According to it the leading malting and brewing companies are ready for large-scale procurement of Russian malting barley (price and quality are agreed upon as well) – the following steps are scheduled:

- meeting with the Minister of Agriculture of the Russian Federation N.V. Fedorov with participation of representatives of the Federal Veterinary and Phytosanitary Monitoring Service, Rusagrotrans and representatives of port elevators on malting barley supplies to the PRC

- visit of representatives of the General Administration of Quality Supervision, Inspection and Quarantine of the People’s Republic of China and the Ministry of Agriculture of the PRC to Russia to inspect the regions of barley shipment to China

- visit of the Barley, Malt and Beer Union delegation to Omsk region and the Altai Territory

- accreditation of the Barley, Malt and Beer Union as the public controlling organization at the General Administration of Quality Supervision, Inspection and Quarantine of the People’s Republic of China and accreditation of suppliers

- realization of the cooperative scientific and technical project “On organization of malting barley varieties trials” – Beijing Program – that will give the opportunity to deliver to the PRC malting barley varieties chosen by Chinese industry and grown in Russia in 2-3 years

8. 06.07.2012 – II Field Day of malting and brewing industry in Russia gathered over 250 companies – all the links of the production chain “malting barley-beer” were represented

Result: Adoption of resolution to the Vice Prime Minister of Russia A.V. Dvorkovich, which expressed deep concern that excessive government regulation of the brewing industry can lead to extremely undesirable consequences for the agroindustrial complex of the country and can even deprive Russian agriculture of such an important crop as malting barley

9. 11.09.2012 – IV International Conference “Equipment Facilities and Raw Material Base for Malting and Brewing Production” brought together over 200 representatives of Russian and foreign companies – all the links of the production chain “malting barley – beer” were represented

Result: Within the framework of the conference the best representatives of the production chain “malting barley – beer” were awarded Letters of Acknowledgement from the Ministry of Agriculture, the Federation Council Committee on Agrarian and Food Policy and Environmental Management, the State Duma Committee on Agrarian Issues.

Results of the contests were summed up: “The best malting barley producer in Russia 2012”, “The best photo or picture of any representative of the political, sport and business community with beer”. The BMBU awarded the best representatives of Russian malting and brewing companies. The prize was the book “Technology of Brewing and Malting” by W. Kunze autographed by the author.

In the framework of the Conference the following events were held: visit to the Moscow Brewing Company and the Festival of national beverage, kvass and beer Peredelkifest.
10. 08.11.2012 – Meeting of the Expert Board of the Federation Council Committee on Agrarian and Food Policy and Environmental Management

Result: In the framework of the Board activity Expert Board sections were established: paragraph 3. - Regulation of production, turnover and consumption of alcohol products.

11. 15.11.2012 – Brau Beviale 2012: my barley – my malt – my beer

Result: Numerous meetings were held with Russian and foreign representatives of the production chain “malting barley – beer”. The following topics were of particular interest:

- BMBU work on introduction of differentiated legislative approach to the enterprises of small, medium and big brewing business, including excise taxes.
- new BMBU program for development of small and medium brewing business in Russia: “My barley – my malt – my beer”.
- products of the Moscow Brewing Company.

In the framework of the fair negotiation on conclusion of a cooperation agreement between the German Association of Independent Beer Producers and the BMBU aimed at intensive interaction of the Union and European colleagues - representatives of the independent small and medium brewing business.

Along with the key events the President of the Union Alexander Mordovin participated in dozens of meetings with the executives of the regions – malting barley producers, representatives of malting and brewing companies as well as in all significant fairs and events attended by the representatives of the "malting barley-beer" production chain.

Plans for 2013:

The BMBU will make efforts to strengthen the dialogue with the legislative and executive bodies of state power: relevant Federation Council Committees (on agrarian and food policy and economic policy), the State Duma (on agrarian and economic policy, innovative development and entrepreneurship), the Government of the RF (Department of the Agro-Industrial Complex), the Ministry of Agriculture, the Ministry of Health and Social Development, the Federal Service for Alcohol Market Regulation, the Federal Service for Supervision of Consumer Rights Protection and Human Welfare.

To gain this aim the following events will be held:
- 28.06.2013 – III Field Day of malting, kvass and beer brewing industry in Russia (www.barley-malt-fieldday.ru)

Best regards,
A. Mordovin
President of the BMBU