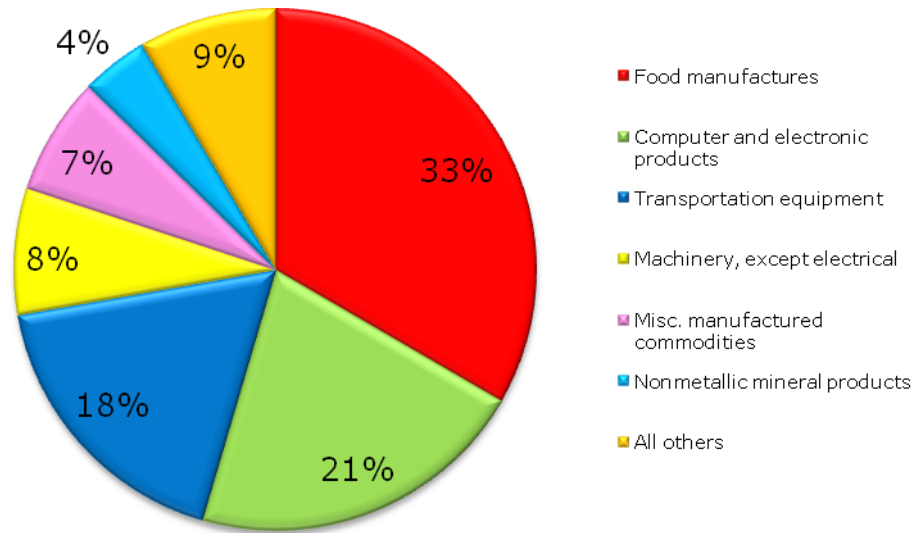


## Vermont and the Russian Market

### Top Merchandise Exports to Russia

Percent of Total Exports to Russia in 2010<sup>1</sup>



### Exports to Russia in US\$ Thousands

Product	2005	2006	2007	2008	2009	2010	% Change 2009-2010	Q1 2010	Q1 2011
<b>Total</b>	<b>6,611</b>	<b>2,586</b>	<b>7,301</b>	<b>2,907</b>	<b>1,836</b>	<b>1,995</b>	<b>9%</b>	<b>741</b>	<b>983</b>
Food manufactures	773	1,346	5,051	134	575	666	16%	233	0
Computer and electronic products	126	27	36	508	237	422	78%	79	148
Transportation equipment	373	293	823	972	259	353	36%	207	269
Machinery, except electrical	4,252	663	913	306	291	156	-46%	76	326
Misc. manufactured commodities	44	7	9	216	47	146	209%	35	40
Nonmetallic mineral products	17	16	0	22	16	83	425%	17	100
All others	1,026	233	470	749	411	170		96	100

## ***Russia's WTO accession will increase opportunities for Vermont's exporters***



**Food manufactures:** The Russian market offers opportunities for U.S. firms and farmers seeking to export crops and value-added food products. In acceding to the WTO, **Russia will be obligated to bind its agricultural tariffs and abide by science-based sanitary and phytosanitary (SPS) standards**, adding more predictability to the trading relationship and opening export opportunities for U.S. food producers.



**Computer and electronic products:** Russia's personal computer market and software market are projected to **more than double in size** between 2010 and 2015, with sales of PCs expected to rise from \$7 billion in 2010 to \$15 billion in 2015 and software sales projected to grow from \$3 billion in 2010 to more than \$6 billion by 2015.<sup>2</sup> **As part of its WTO commitments, Russia will permit IT imports to enter the country duty-free.**<sup>3</sup>



**Transportation equipment and machinery:** Russia's economic prosperity depends on high-quality machinery for use in multiple sectors, as well as a transportation sector capable of bridging the vast expanses of the country's territory. Demand for vehicles, equipment and transportation infrastructure in Russia generates significant export opportunities for U.S. manufacturers of transportation and other equipment. Under the terms of its WTO accession package, **Russia will cut tariffs on manufactured goods to an average of 8%.**<sup>4</sup>

### ***Companies with a Presence in Vermont that Export to and/or Do Business with Russia***

Cummins, Inc.  
Ernst & Young  
General Electric Company  
PH International  
SSG Advisors

<sup>1</sup> Source for State Export Data: Office of Trade and Industry Information, Manufacturing and Services, International Trade Administration, U.S. Department of Commerce.

<sup>2</sup> "Russia Consumer Electronics Report Q2 2010," Business Monitor International, <http://www.companiesandmarkets.com/Summary/Market-Report/russia-consumer-electronics-report-q2-2010-278893.asp>, March 17, 2010; "Russia Information Technology Report Q1 2011," companiesandmarkets.com, <http://www.pr-inside.com/russia-information-technology-report-q1-2011-2385265.htm>, January 31, 2011.

<sup>3</sup> "Non-Agricultural Goods Market Access," Office of the U.S. Trade Representative, November 19, 2006.

<sup>4</sup> "Factsheet on U.S.-Russia WTO Bilateral Market Access Agreement," Office of the U.S. Trade Representative, November 10, 2006.