

Russia's Growing Importance for World Agriculture

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Towards Functioning Agricultural Markets and Trade Relations?
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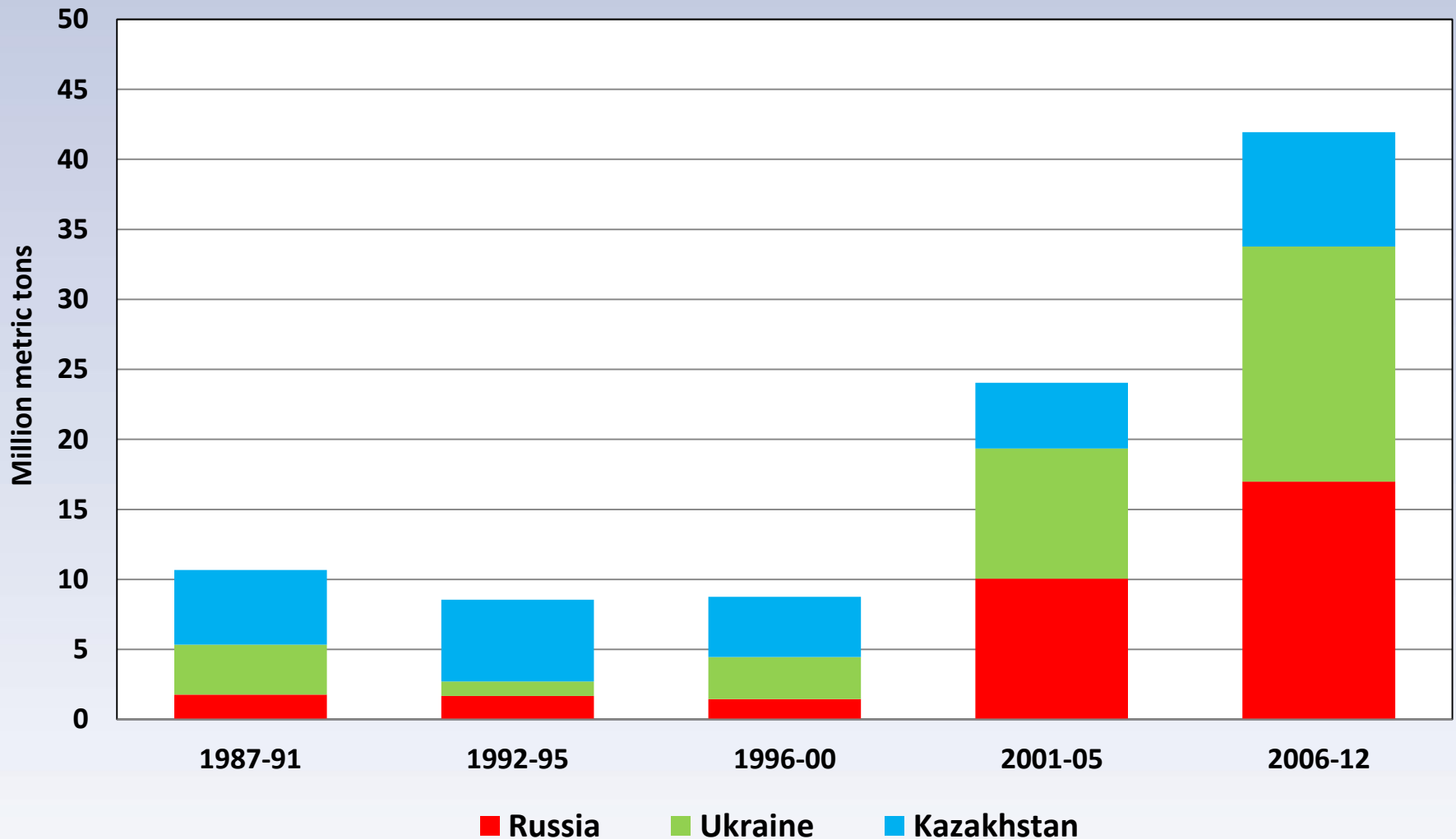
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Outline of Presentation

- KRU region's importance in world agricultural trade
- Reasons why KRU region has become a large grain exporter since 2000
 - Major restructuring of agricultural production and trade during 1990s
 - Growth in grain production during 2000s
- Agricultural policy and grain exports



KRU Grain Exports



Note: Exports are gross. The bars give average annual figures over the given period.

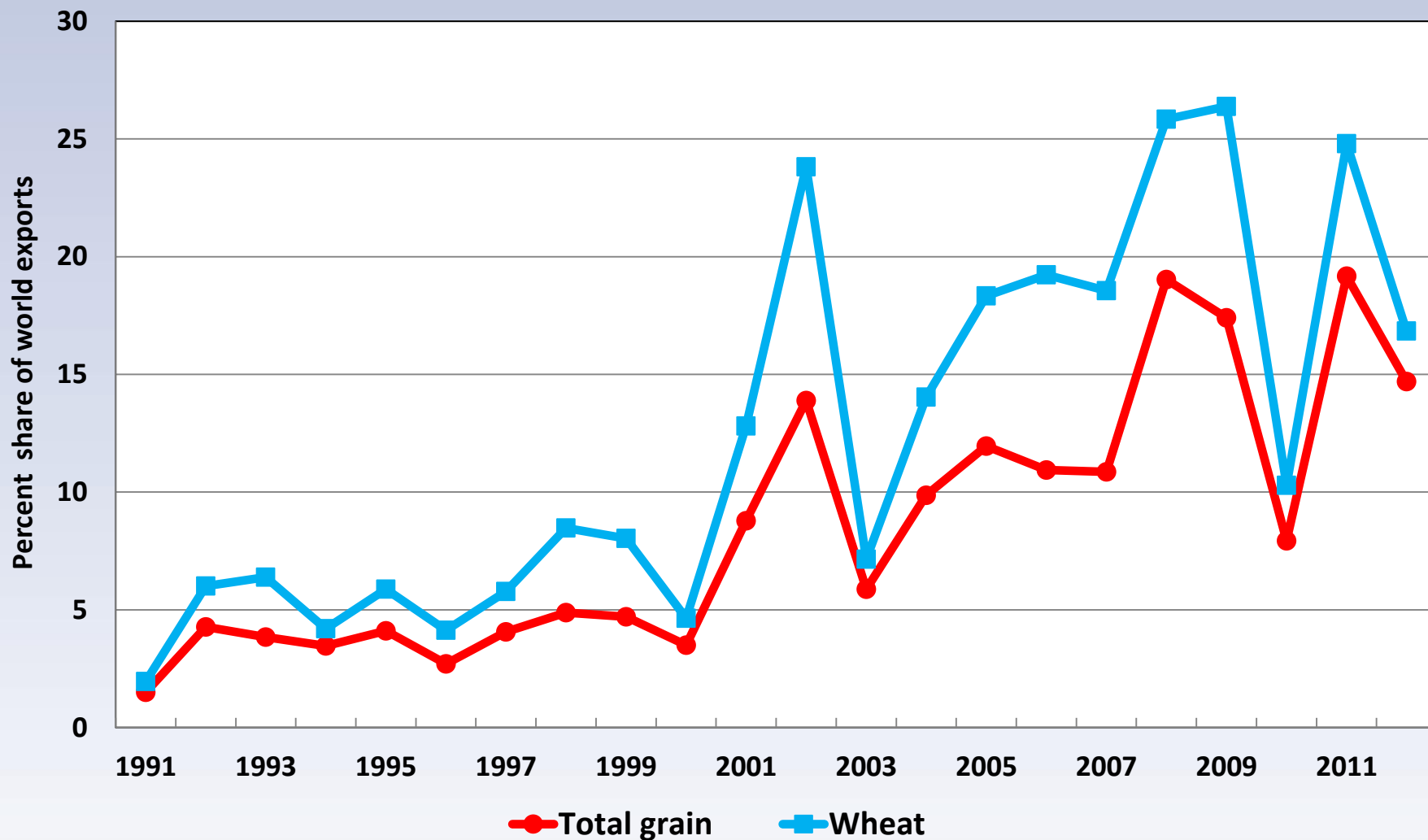
Source: USDA Production, Supply, and Distribution (PS&D).



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Share of KRU Region in World Grain and Wheat Exports



Note: KRU countries combined. Exports are gross.

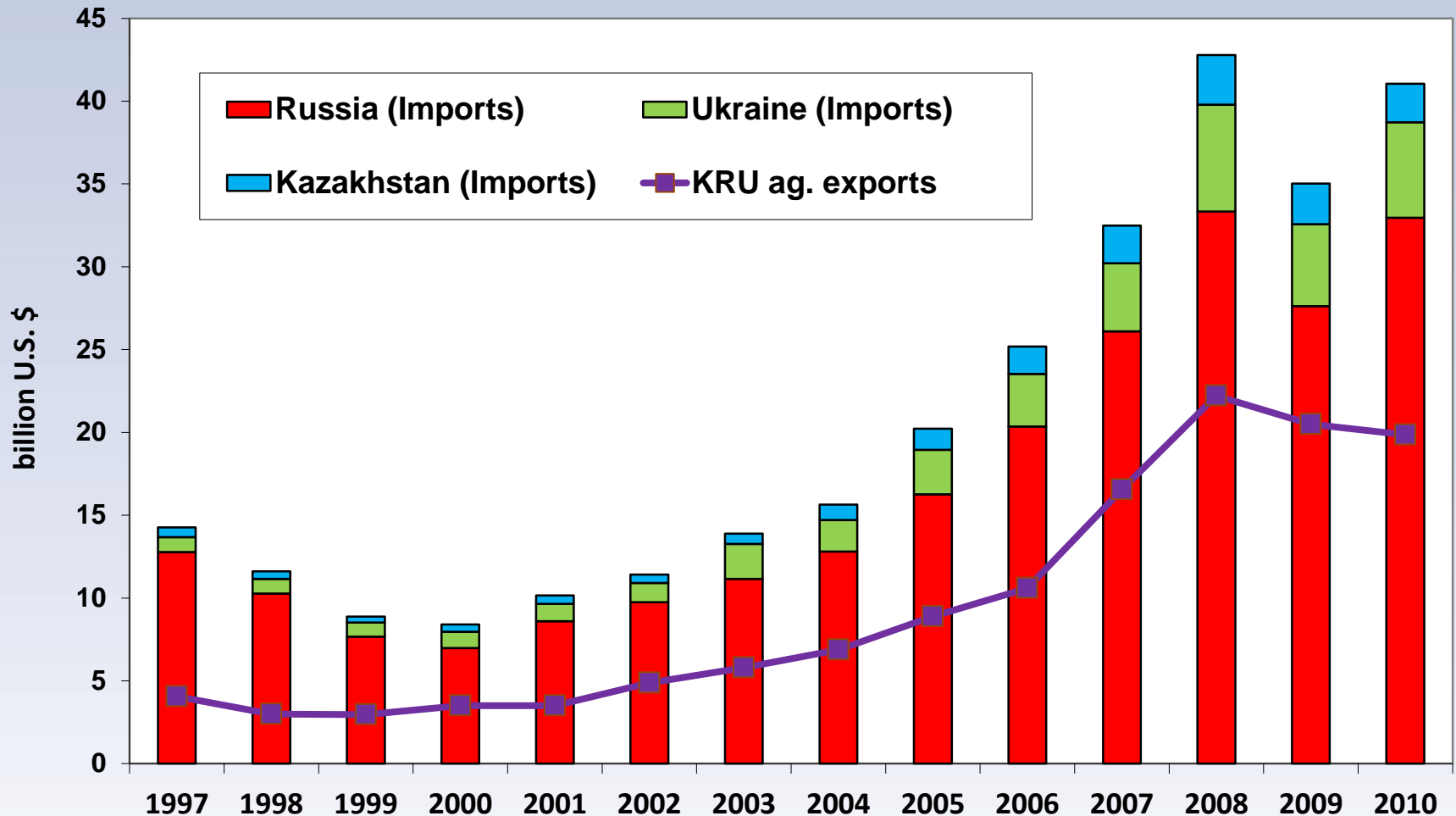
Source: USDA Production, Supply, and Distribution (PS&D).



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KRU Agricultural Imports



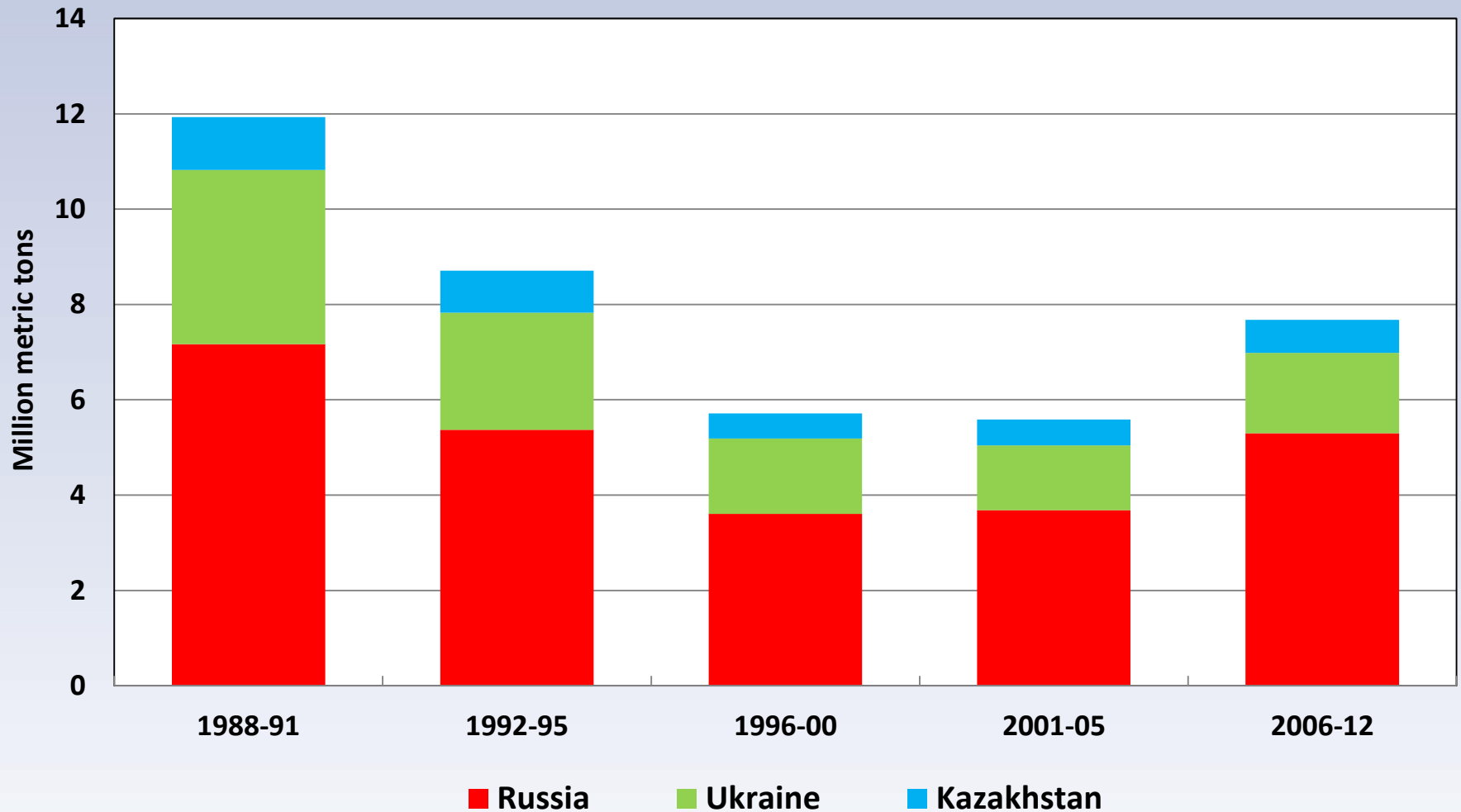
Source: World Trade Atlas for Russia 1997-2010, for Ukraine 2002-2010, and for Kazakhstan 2004-2010. FAO for Ukraine 1997-2001, and for Kazakhstan 1997-2003.



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KRU Meat Production



Note: The bars give average annual figures over the period.

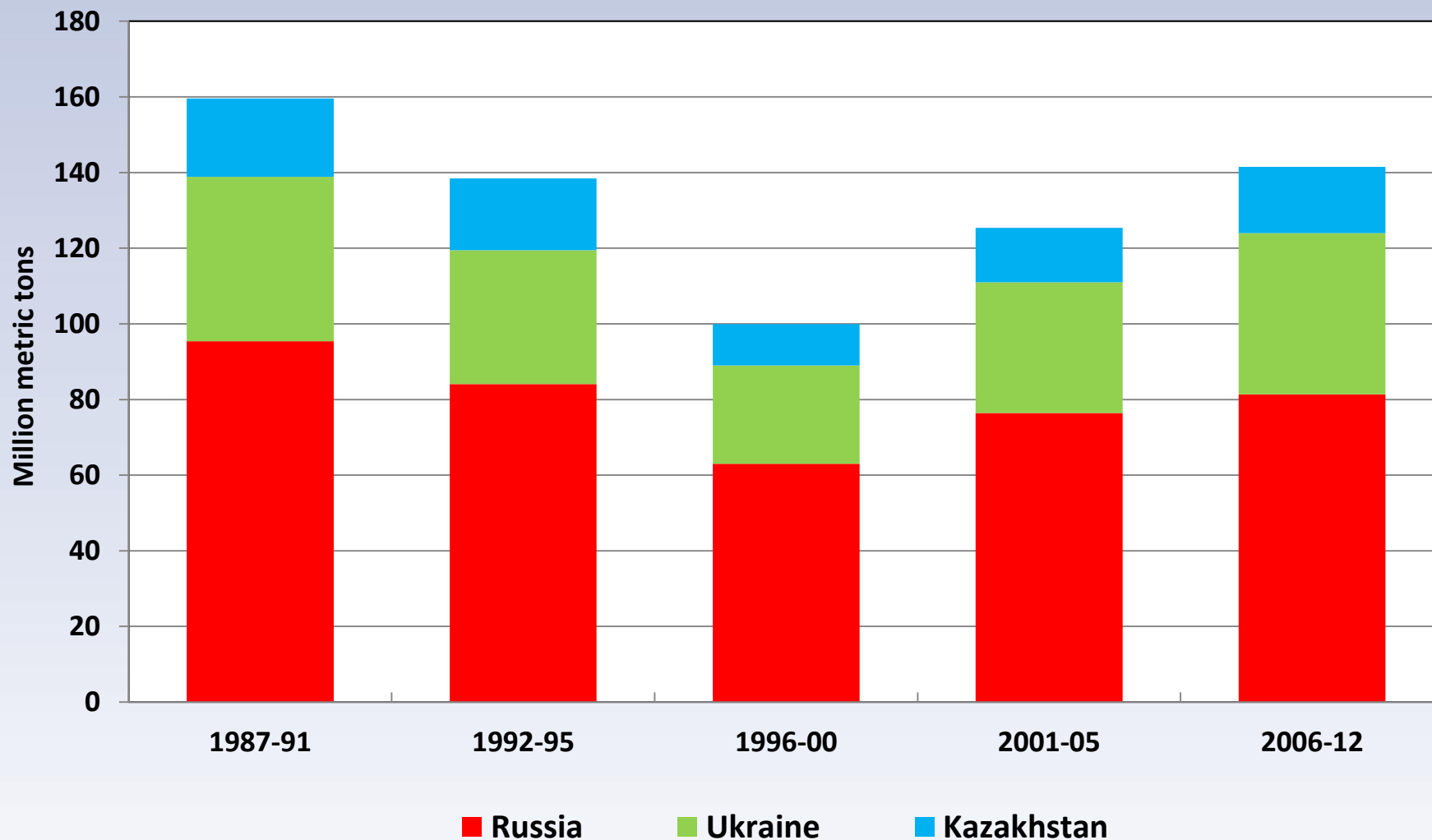
Source: USDA Production, Supply, and Distribution (PS&D).



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KRU Grain Production



Note: The bars give average annual figures over the period.

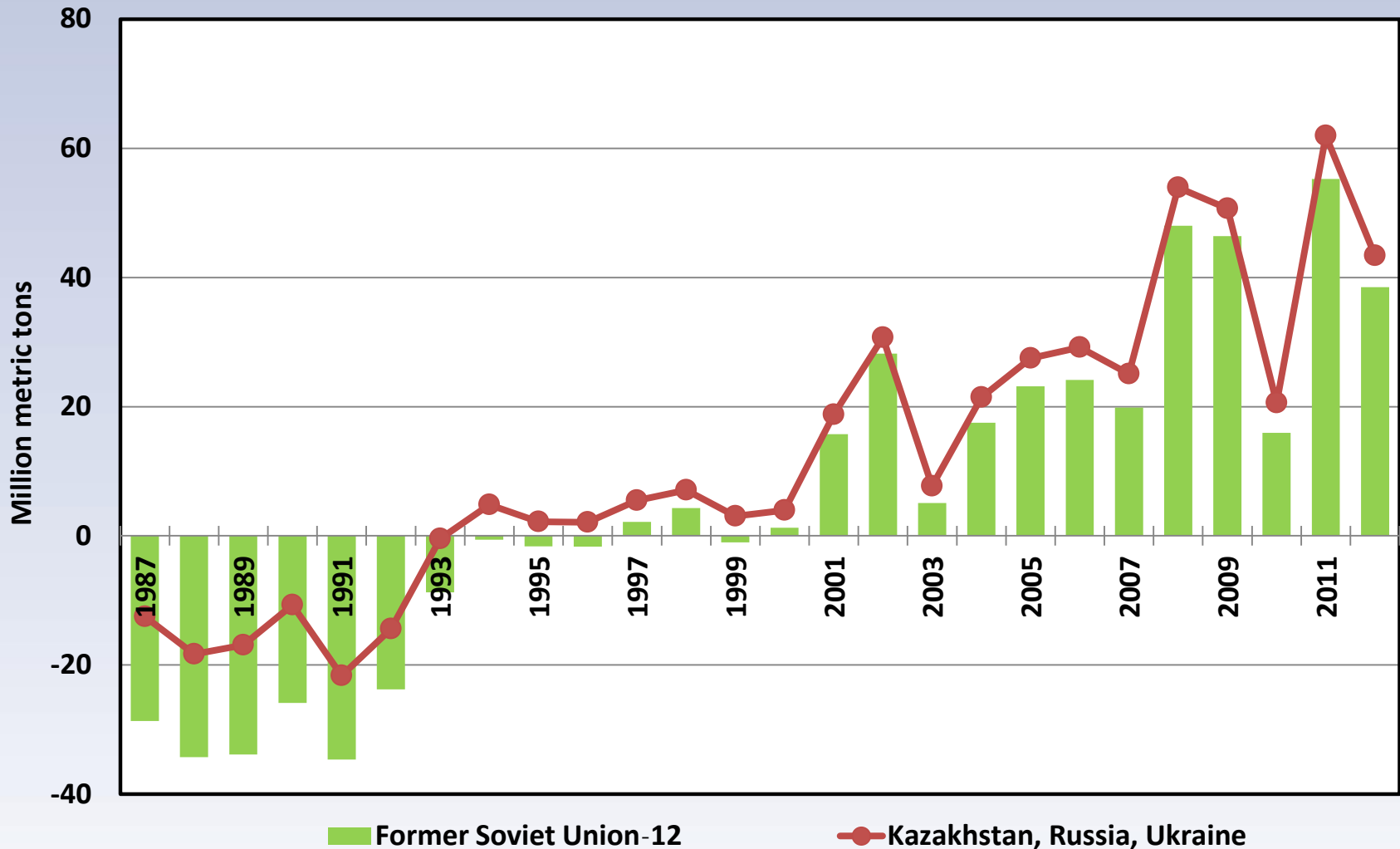
Source: USDA Production, Supply, and Distribution (PS&D).



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Net Grain Exports of KRU Region



Note: Imports and exports are net of trade among the KRU countries, and net vis-à-vis the rest of the world. The FSU-12 are the republics of the former USSR minus Lithuania, Latvia, and Estonia.

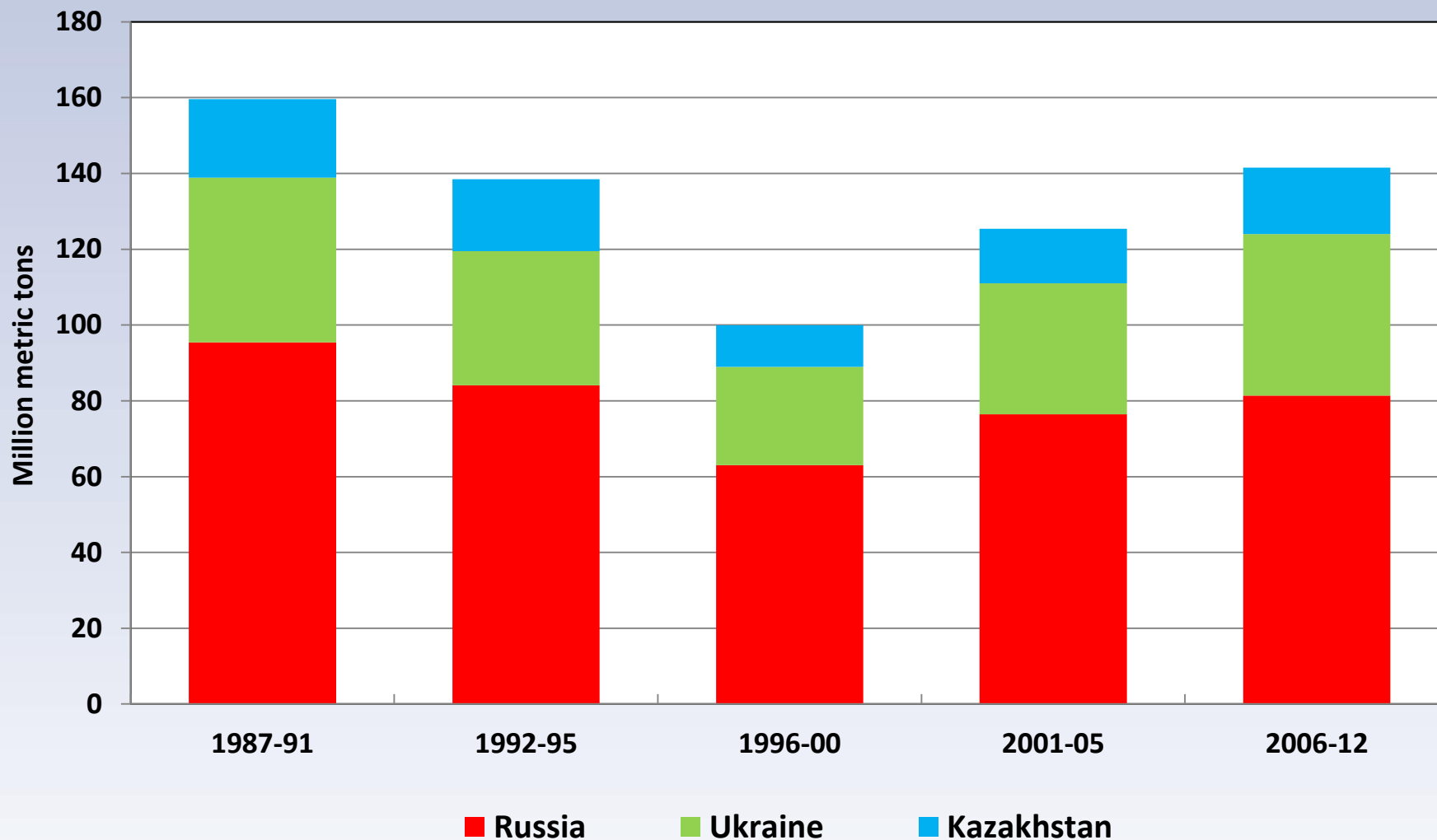
Source: USDA Production, Supply, and Distribution (PS&D).



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KRU Grain Production



Note: The bars give average annual figures over the period.

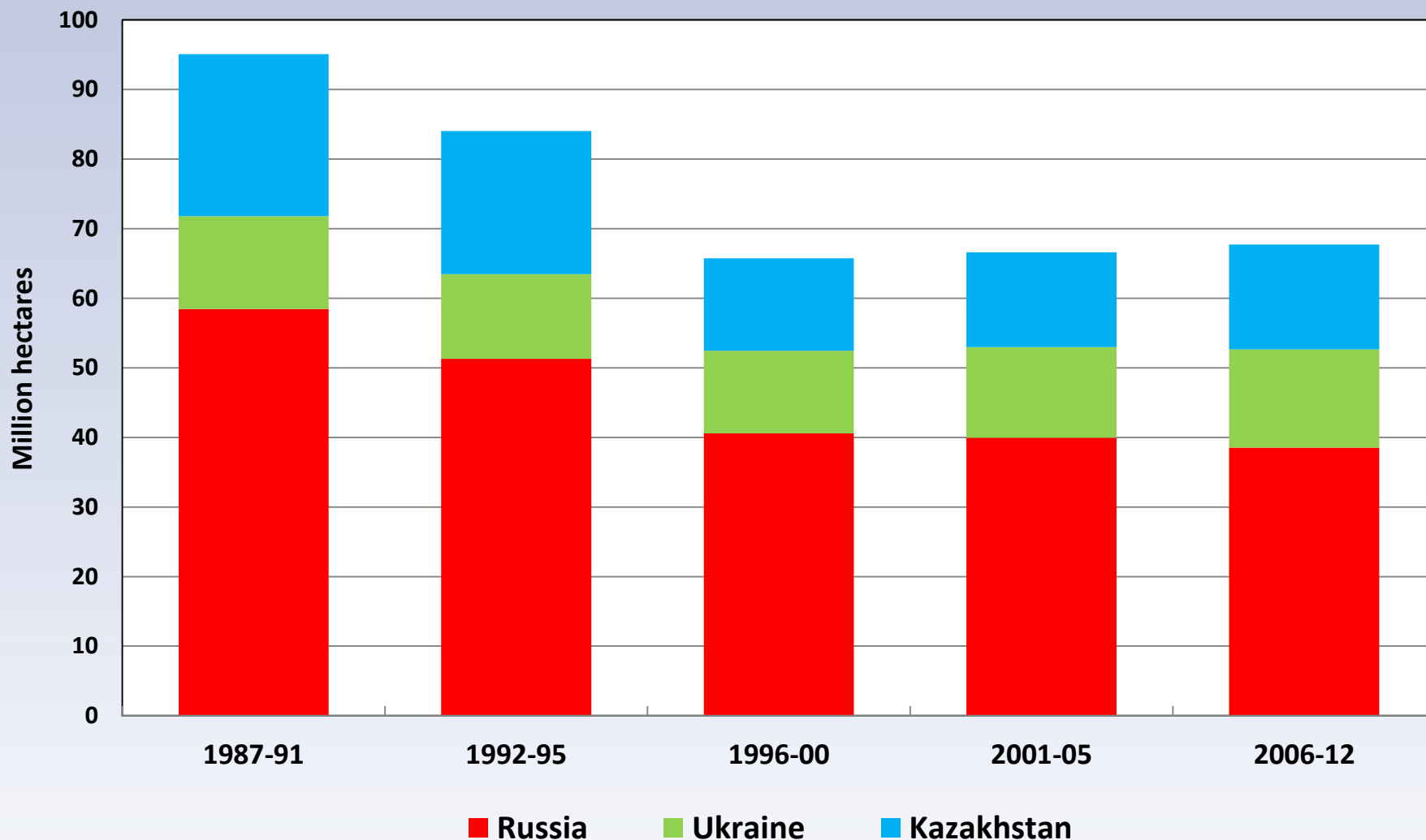
Source: USDA Production, Supply, and Distribution (PS&D).



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KRU Grain Area



Note: The bars give average annual figures over the period.

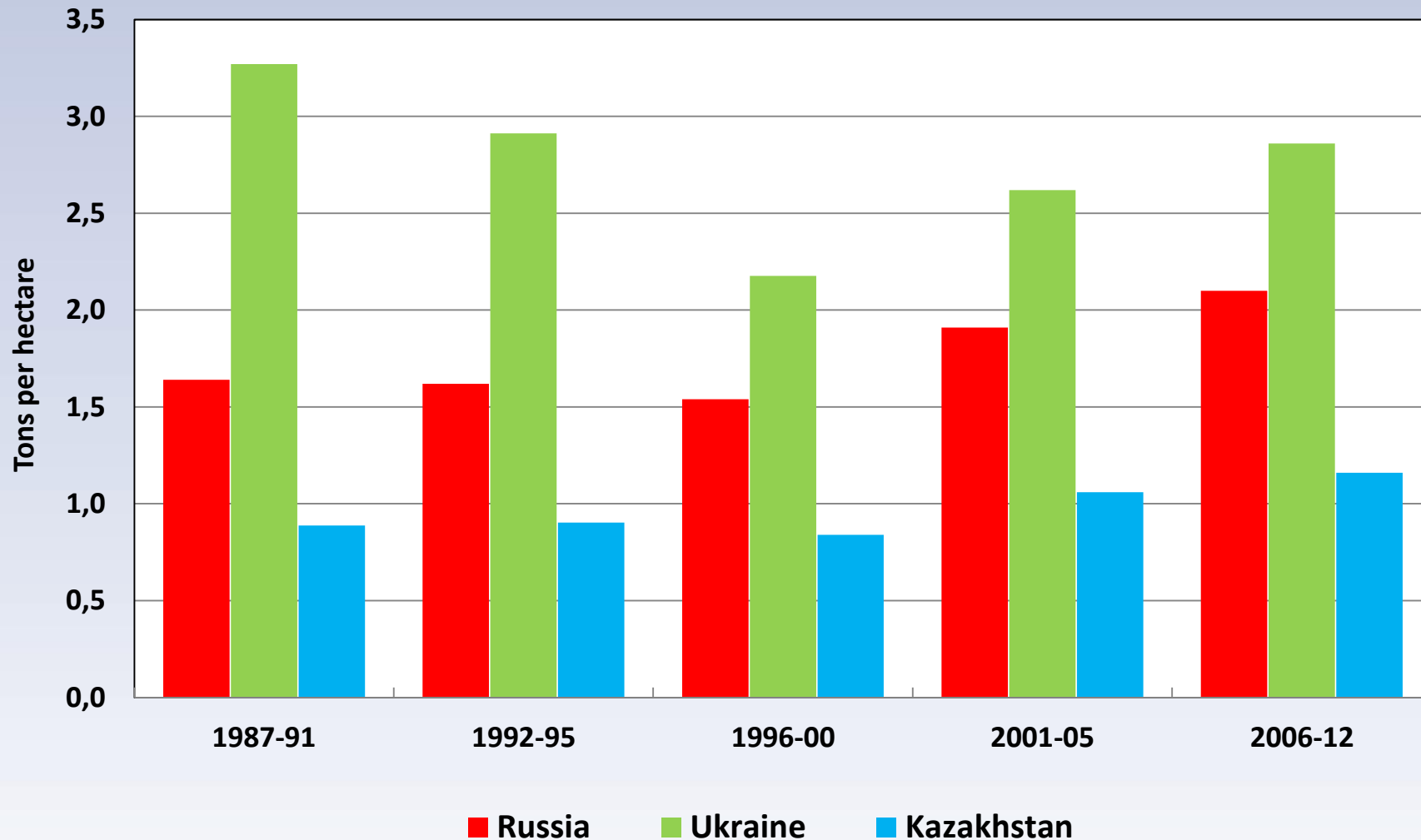
Source: USDA Production, Supply, and Distribution (PS&D).



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KRU Grain Yields



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Measures of KRU Potential to Increase Grain Yields

Compare KRU grain yields with those of Western countries
with similar soil and agro-climatic conditions

Grain yields (tons per hectare), 2007-09

Russia		Russia	
Southern Europe	USA	Volga, Urals & Siberia	Canada
2.9	6.8	1.6	3.0

Source: EC 2013 study on Russian agriculture

Compute gap between actual grain yields and potential yields
based on soil and agro-climatic conditions:

EC 2013 study on Ukrainian agriculture indicates potential
to increase grain yields by 10-40%



Russian Agricultural Support and Trade Policy during the 2000s

- Budget subsidies began rising in 2006, favoring the livestock sector
- Tariff rate quotas for meat imports created in 2003, with restrictions strengthened in 2009
- Meat imports from many countries banned for sanitary reasons, such as poultry from the United States
- During 2008-11 grain export restrictions imposed, including complete ban from August 2010 through June 2011



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