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Change of land use intensity:

WTO accession of Russia – chance for organic farming?

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SASCHA | SP 510

Analysis and optimization of sustainable agricultural
management practices on farm level



World Trade Organisation



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- WTO is run by its member governments
- All major decisions are made by the membership as a whole
- Same market access conditions between all WTO members
- WTO commitments in agriculture on
 - Domestic support
 - Market access
 - Export subsidies
 - Transparency



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Domestic support



- Stimulation of agricultural growth in Russia by national programs
 - National Priority Program „Development of the Agro-industrial Complex (2006-2007)
 - State program for agriculture development (2008- 2012)
 - Some regional programs additionally



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Under WTO regulation:

Tariff reduction from US\$ 9.0 bn (2012) to
US\$ 4.4 bn (2018 and beyond)

Market access – IM-/EXPORT



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- Tariff reduction for goods
 - Dairy products 19,8 % \searrow 14,9%
 - Cereals 15,1 % \searrow 10,0%
- Tariff rate quotas (TRQ)
 - Beef 15 % (above quota \nearrow 55%)
 - Pork 0 % (above quota \nearrow 65%)
- All agricultural export subsidies will be bound at zero



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Market access – INVESTMENTS



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- Foreign investment expected



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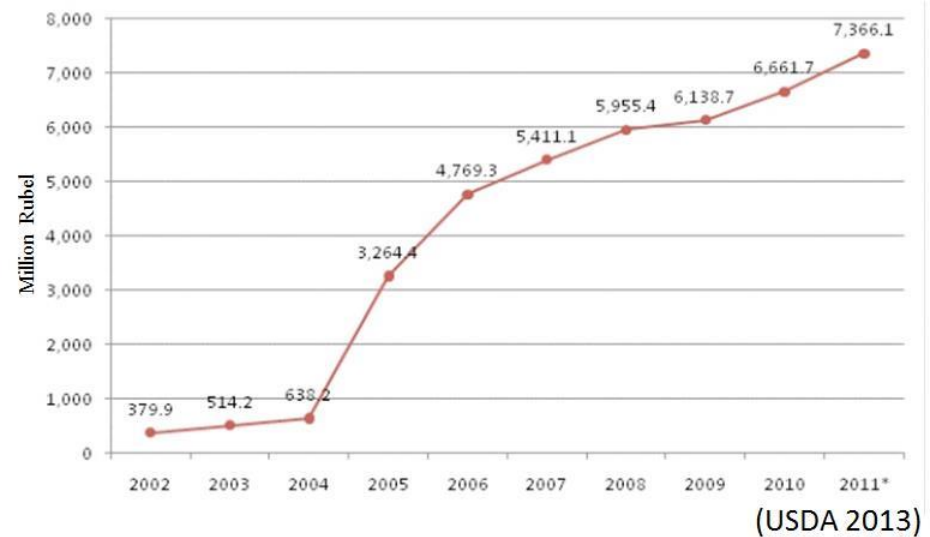


Organic farming in Russia



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- Few enterprises
- Considerable demand
 - Moscow
 - St. Peterburg
 - ...



- Growth expected
 - US\$ 148 million (2012) ↗ US\$ 225 million (2015)
(USDA 2013)

Organic farming and WTO



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- Draft law „On the production of organic agricultural products“ developed by the Russian ministry of Agriculture (11/2012)
- Commencement planed in 2015
- Expectations
 - Certified organic products more competitive on the international market → increasing production
 - Mainly perspective for individual enterprises
 - Production driven by export



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Oblast Tyumen



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Oblast Tyumen



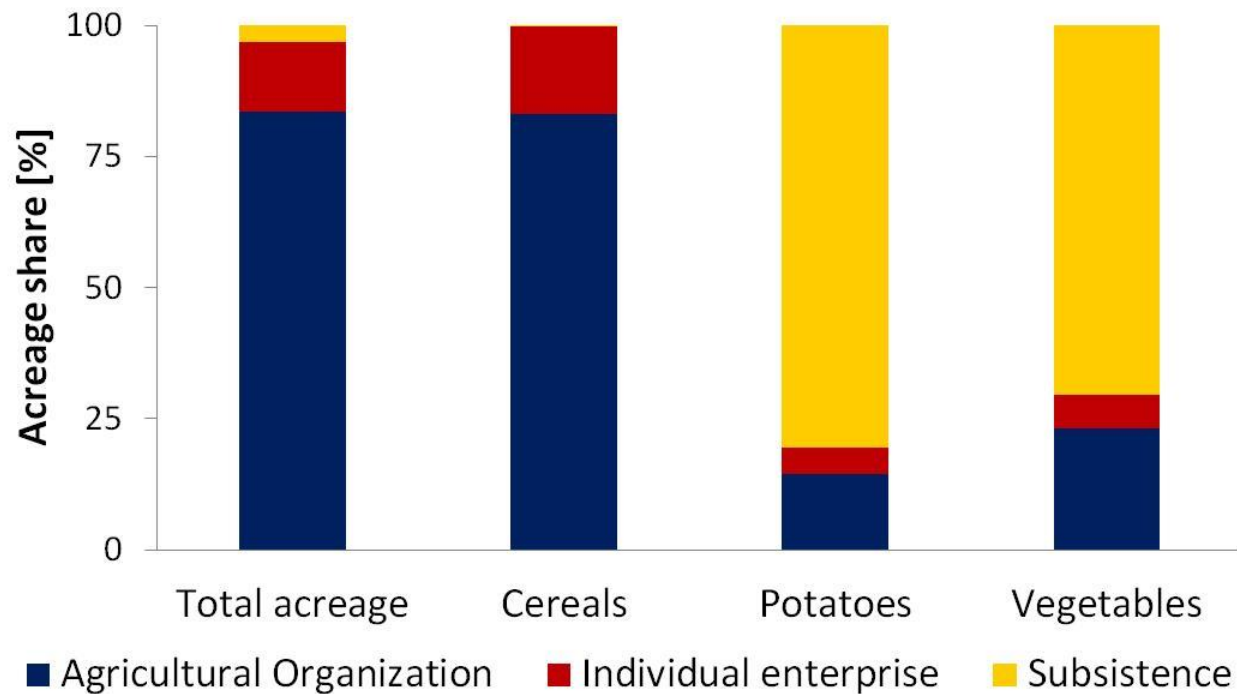
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Oblast Tyumen – Acreage



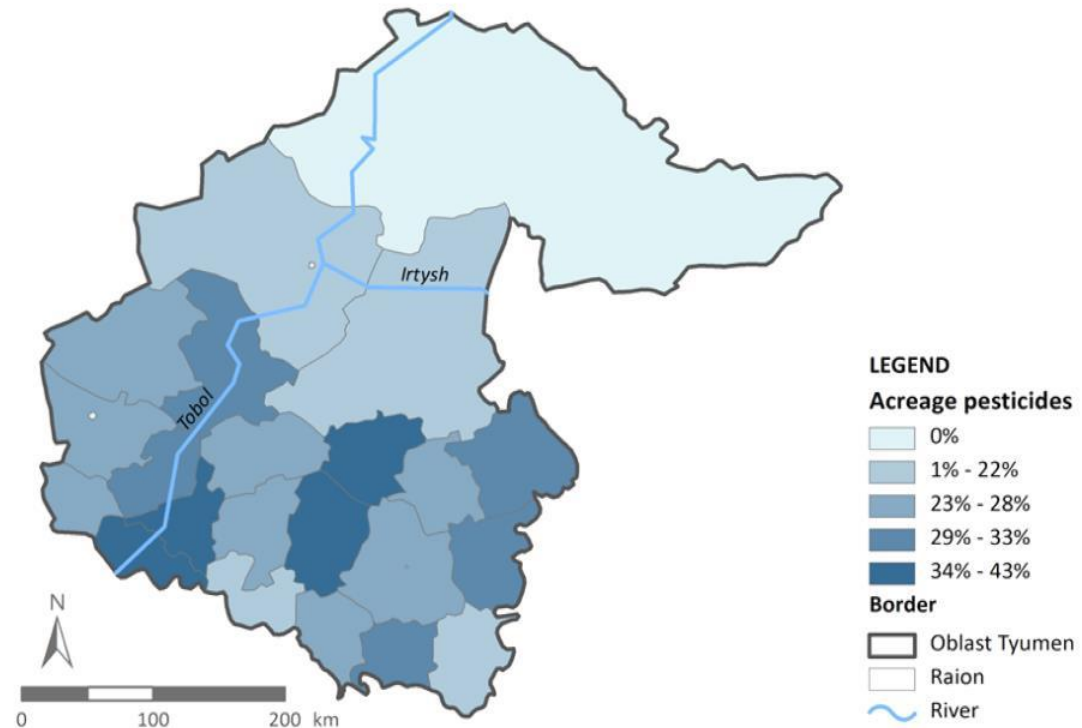
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Tyumen – Area potential



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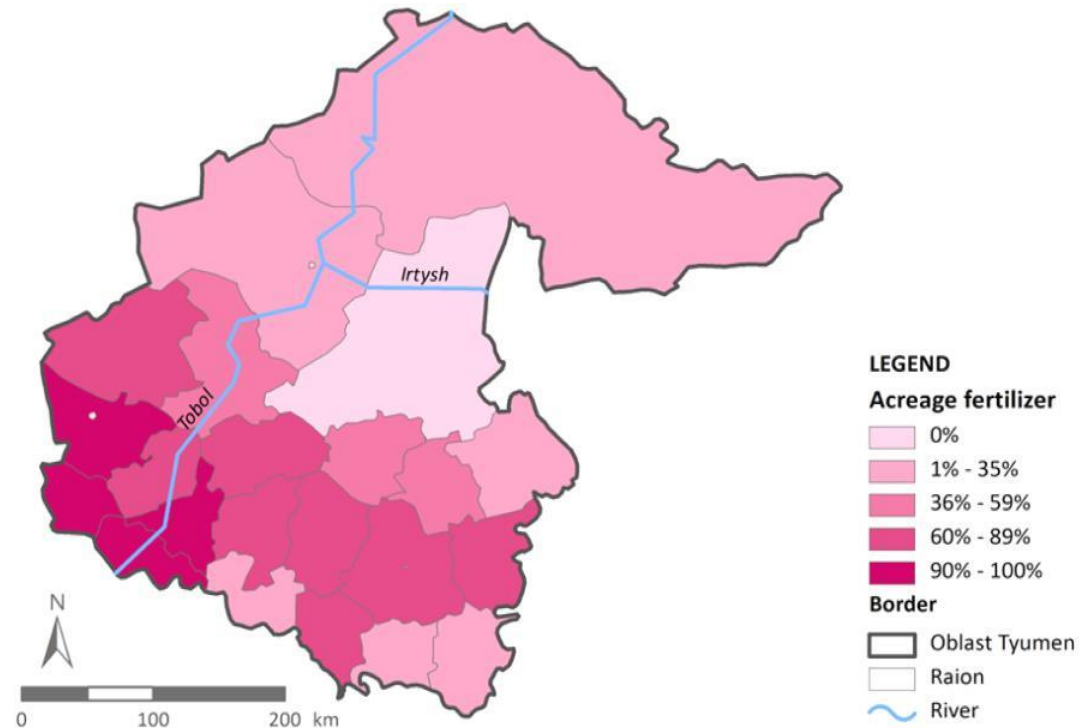
Factors:

Acreage share pesticides

Tyumen – Area potential



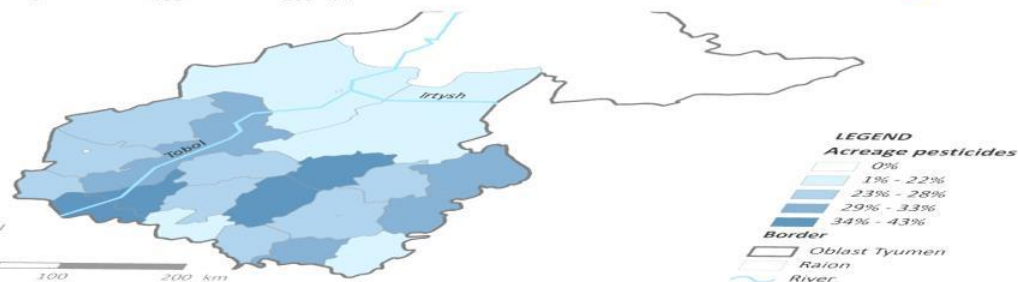
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Factors:

Acreage share fertilizer

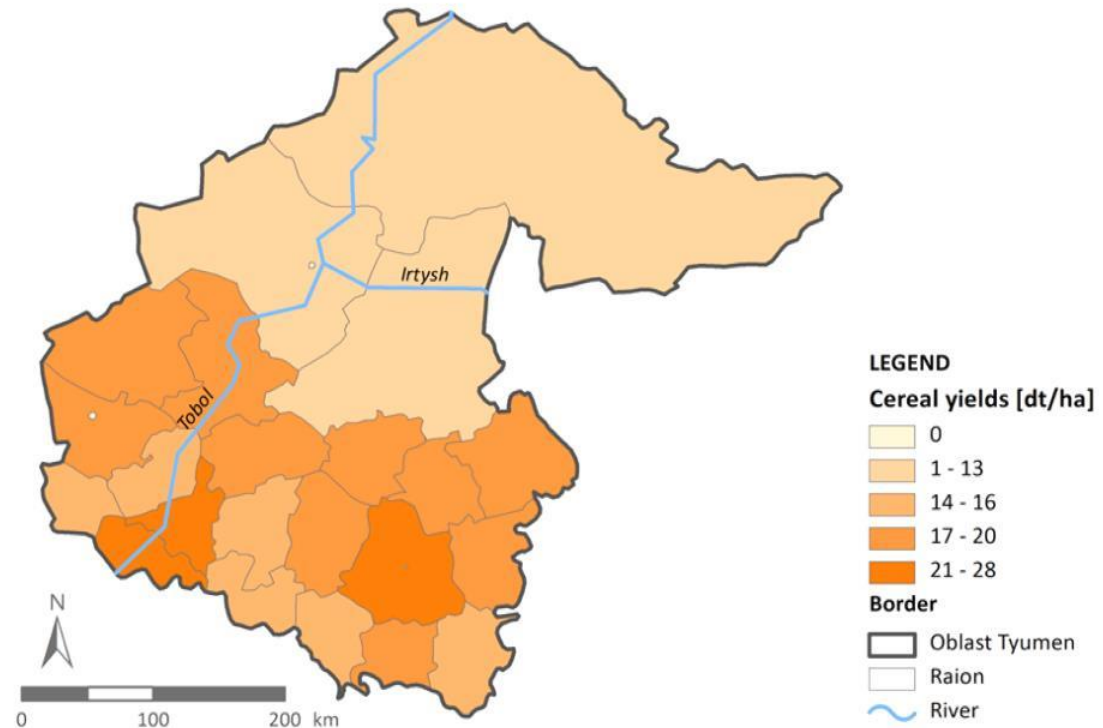
Acreage share pesticides



Tyumen – Area potential



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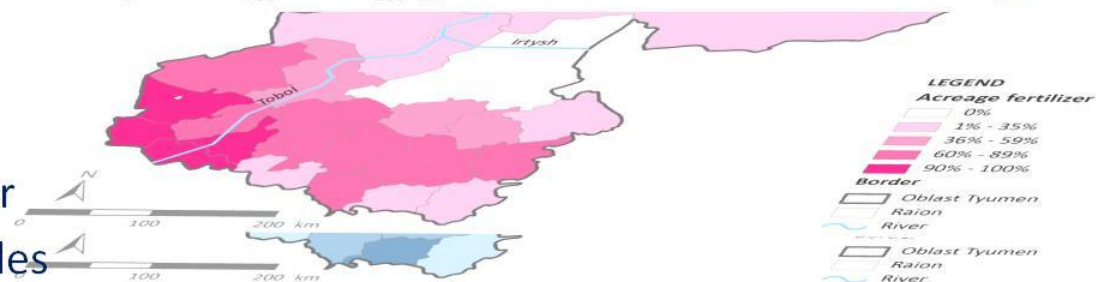


Factors:

Cereal yields

Acreage share fertilizer

Acreage share pesticides



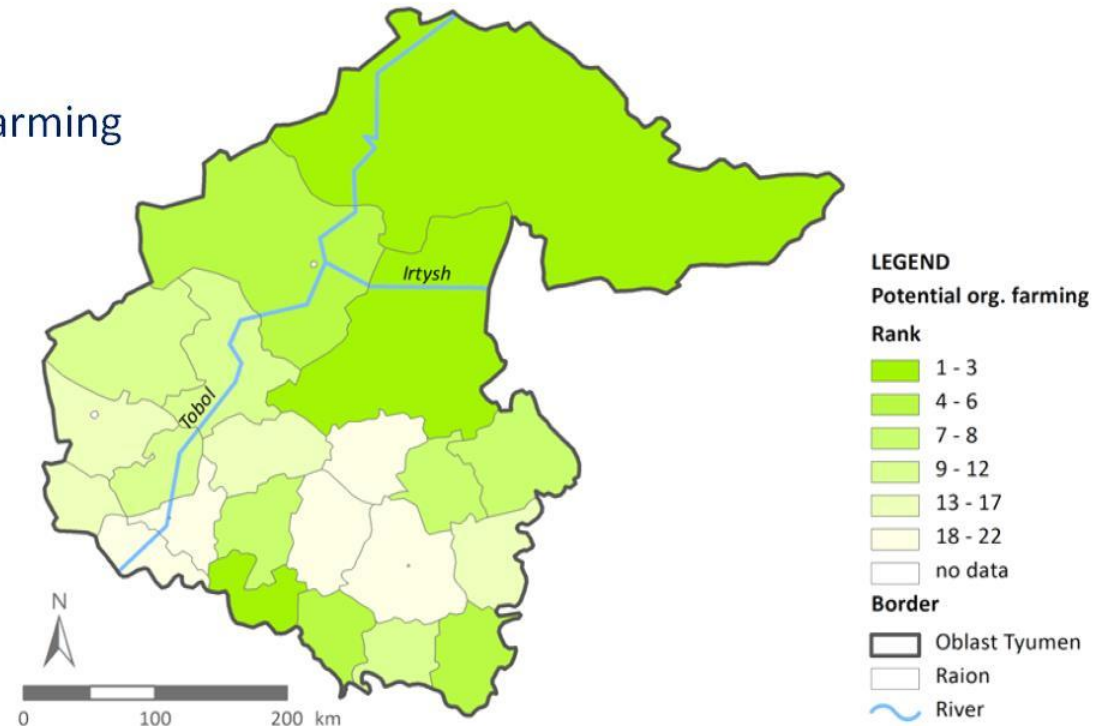
Tyumen – Area potential



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Result:

Area potential for organic farming

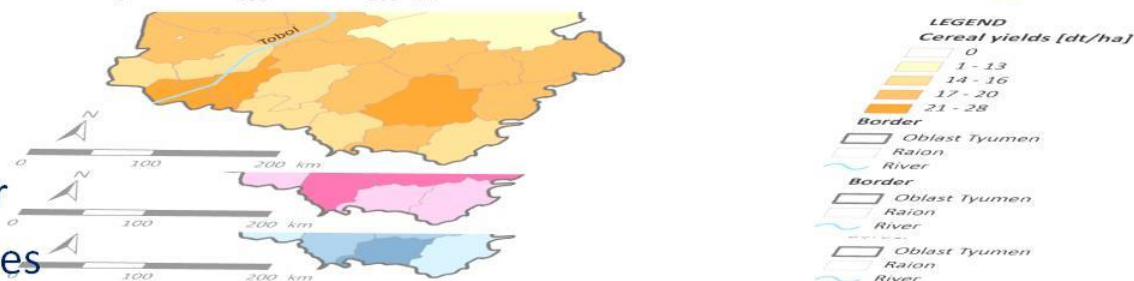


Factors:

Cereal yields

Acreage share fertilizer

Acreage share pesticides



Conclusion



- Accession of Russia to WTO → a challenge for russian agriculture in generall
- New land use strategies has to work out
- Organic farming may be a perspective for individual enterprises in Tyumen-Oblast to establish new markets (internal/export)

Thank you for your attention!



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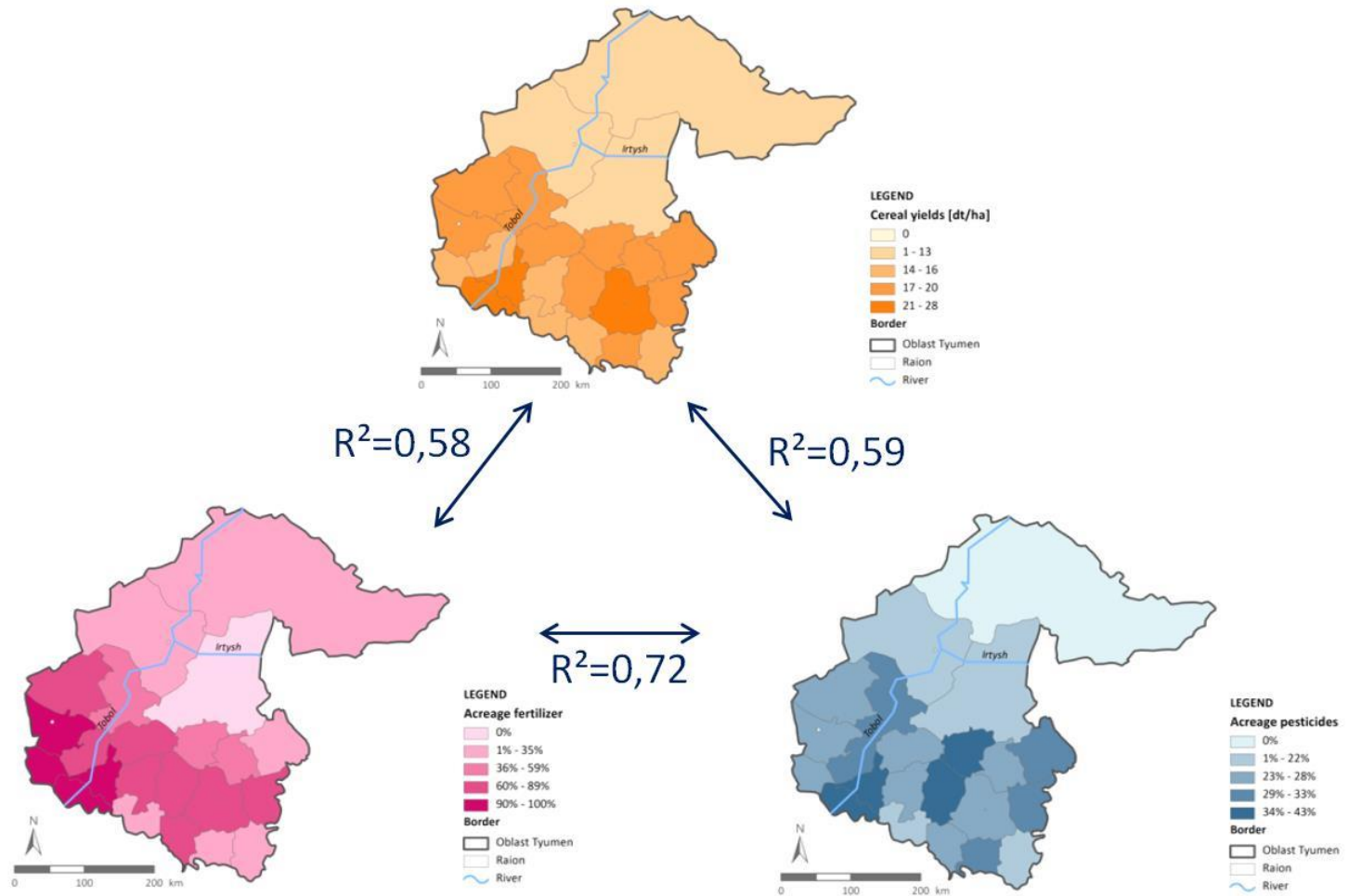
Contact: Prof. Dr. Dieter Trautz
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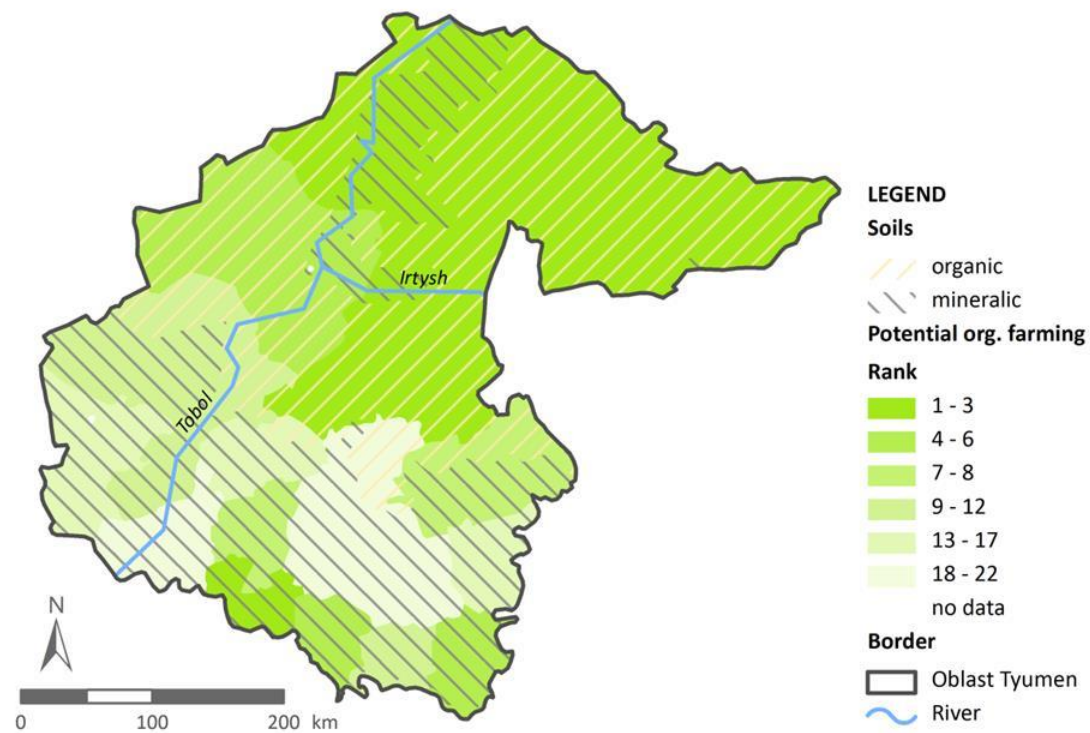
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APPENDIX | Correlations



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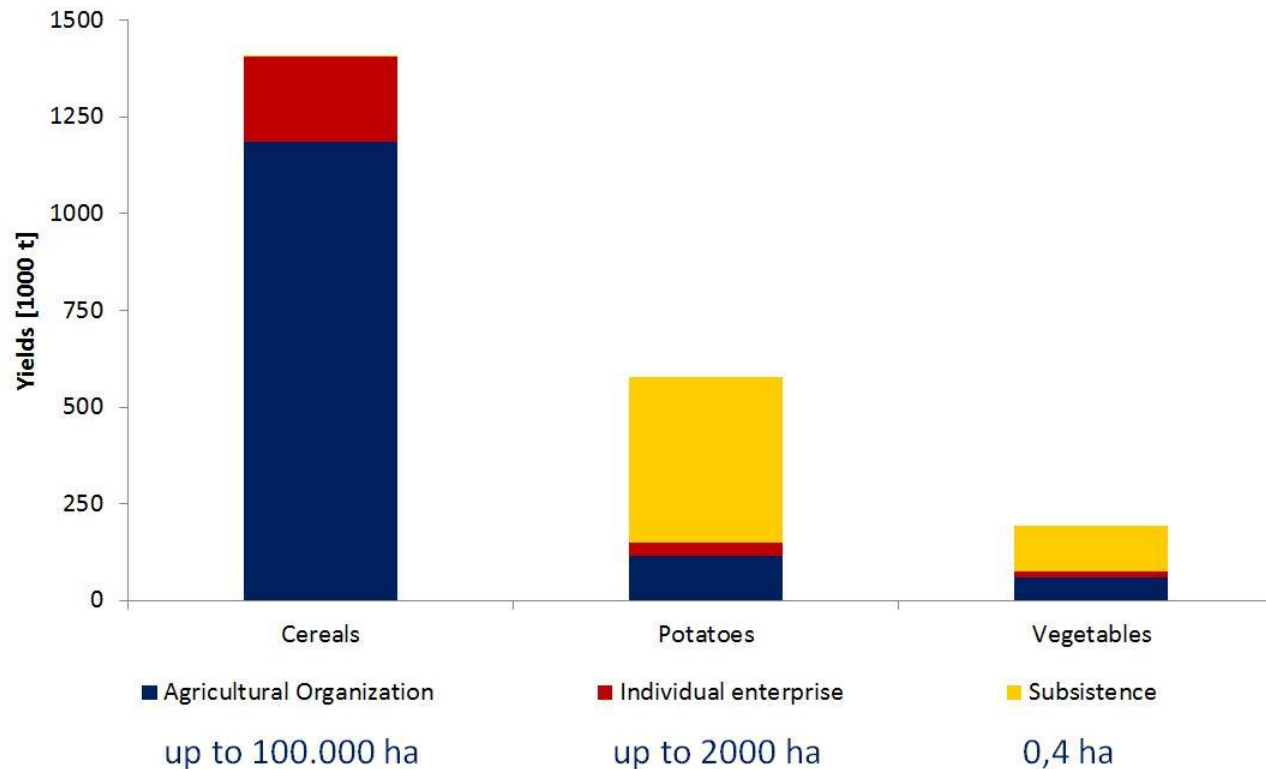




Oblast Tyumen Yield



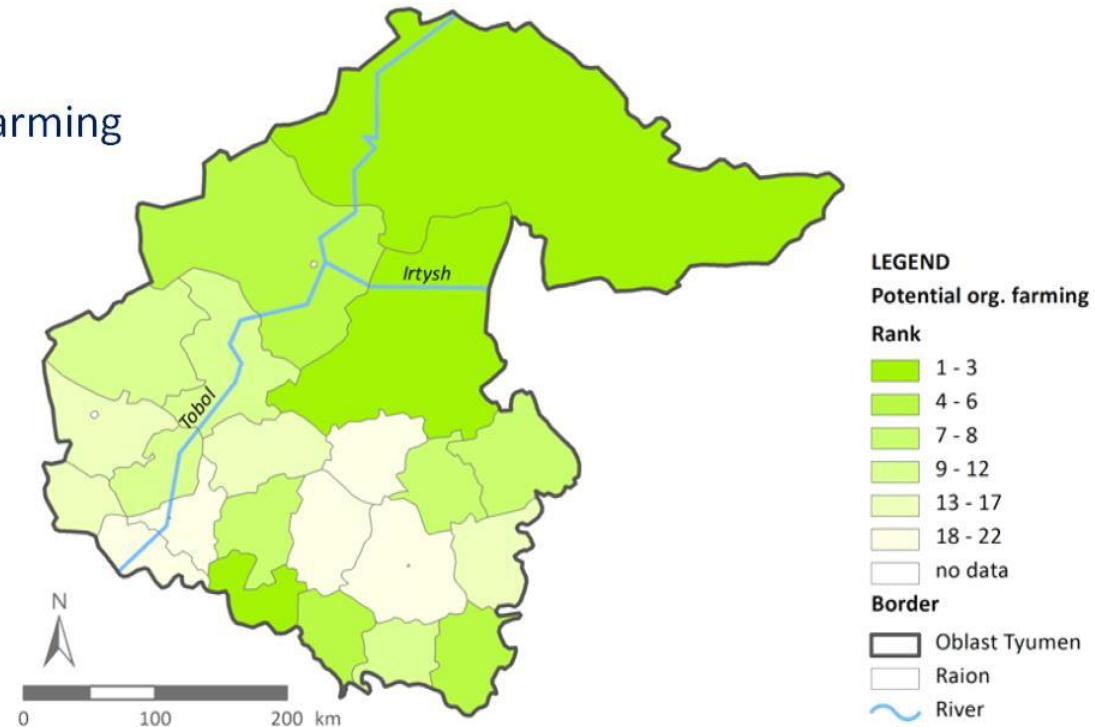
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Result:

Area potential for organic farming



Factors:

Cereal yields

Acreage share fertilizer

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