

Russian agricultural market and opportunities

Agricultural market in Russia was going through the period of recovery from Soviet period and Russia needs a lot of investments in this sector. The agricultural development programme will amount over 1.5 trillion roubles over the period 2013-2020. One of the priorities is the development of meat and dairy products manufacturing. There is nearly 0.5 trillion roubles assigned for this programme. Some business opportunities may be bound up with the technical and technological modernization and innovative development programme, which will absorb more than 23 bln roubles. Next 62 bln roubles will be allocated on the irrigation systems development. All of these programmes will certainly cause an increased demand for products and services in the agricultural sector. All of the potential auctions held by governmental bodies will be placed on the state auctions portal:

<http://zakupki.gov.ru/wps/portal/base/topmain/home> (Russian)

Import trends in Russia have improved, but it is still in a need for lot of foreign products and services in agricultural sector. There is a high demand for foreign machinery - current amount of foreign agricultural machinery on the Russian market is about 50 %. Moreover, Russia still imports more food than exports it (especially meat and meat products, eggs, sugar and many other goods).

Opportunities

For manufacturers, Russia is a huge market for agricultural machinery. Most of Russia's machinery is very old and needs replacing. Except machinery, animal's feed fertilizers, silo manufacturers may find clients in Russia. As said, Russia imports huge amount of food every year, so meat producer's businesses may be highly beneficial on this market. As Russia is lacking agricultural technologies and solutions, foreign companies may offer their services. Farm management, design, irrigation systems planning, landscape design and many other services may be highly beneficial in Russia.

Entering the Russian market¹

The crucial problems for product suppliers are: product certification and customs clearance. Suppliers will probably need help of companies specialised in these areas. One may find helpful online products' certification catalogue and customs directory, both in English:

<http://www.gost.ru/wps/portal/pages.en.StandartCatalog>
<http://www.russian-customs-tariff.com/>

Top Russian companies

Russian biggest food, machinery and fertilizers manufacturers were listed below. It may help your business to find clients or partners. On the other hand these companies may be potential competitors for businesses concentrated on food, fertilizers and machinery manufacturing.

Some of the companies, which are main **food manufacturers** are: *Agroholding* (meat production), *Miratorg* (meat production), *Nastjusha* (food production, grain storage and processing), *Prodo Group* (meat production), *Rusagro Group* (sugar, oil, meat, grain production), *Cherkizovo Group* (poultry and pork meat production and processing), *Prodimeks* (food production), *Agrico* (agricultural investment company), *Komos Group* (food production and agriculture-related services), *Exima holding* (Mikoyan is a central company in this holding, meat processing, crop, milk production and processing, livestock breeding, genetic projects), *ABI Group* (food production), *Ariant* (meat production), *Aston* (food and feed production), *OGO holding* (grain production and processing), *Rosinteragroservis- RIAS Group* (grain production, trade, storing; flour and oil production), *Sodrugestvo Group* (soybean and oilseed processing, fishmeal and composite animal protein mix manufacturing), *BEZRK- Belgrankorm Holding* (meat, dairy, grain manufacturing and processing), *Agro-Belogor'e Group* (meat, dairy, breed, plants production), *OMPK* (meat processing), *Prioskol'e* (poultry production).

Obviously there exist few serious **fertilizers manufacturers** on the Russian market, among them: *Eurochem* (fertilizers), *Uralchem* (fertilizers).

Some of the main Russian **machinery manufacturers** are: *Novoje Sodruzhestvo Group* (agricultural machinery manufacturer), *OAO Agromashholding* (agricultural machinery manufacturer), *Rostselmash* (agricultural machinery manufacturer), *Sal'skssel'mash* (agricultural

¹ A directory of about 80 different Russian agriculture-connected associations. This list may be useful for businesses looking for a client/partner in B2B relation:

<http://www.mcx.ru/documents/document/show/18435.143.htm> (Russian)

machinery manufacturer), *Klever* (agricultural machinery manufacturer). If you need more information about the machinery manufacturers, the list of them is attached: <http://www.traktor.ru/traktor.asp> (Russian)

This list contains the biggest potentates in the agricultural sector. Some of the above mentioned companies announce tenders on their websites. It is obviously a good opportunity to get a client in B2B relation. Please notice that these companies are mostly holdings, what means they consist of many entrepreneurship.

Events

Rostov Gostepriimnyj (Ростов гостеприимный 2012)

Date and place: September 2013, Rostov-na-Donu

Website: www.bisart.ru

T: +7 (863) 263-41-46

E: info@bisart.ru