an indication that the sugar beet industry has encountered serious difficulties.

According to our estimates, wheat cropping area could increase to about 30.9 M ha by 2027, assuming that Russia will be an important exporter of wheat grain in the future. Sunflower and sugar beet area are projected to increase slightly by 2027 to 6.3 M ha and 1.0 M ha, respectively, based mainly on domestic consumption of vegetable oil and sugar.

Currently, Russia has two internal drivers to boost agricultural production. They are substitution of imported agricultural products (sugar, livestock husbandry products, and milk), and emerging opportunities to increase export of cereals, particularly wheat. Domestic agricultural producers are also able to take advantage of currency devaluation in Russia due to the recent global financial crisis and any related increases in prices of imported agricultural commodities. The Russian federal government stimulates crop production through minimum purchase prices of grain (wheat, barley, rye, and maize), fixed domestic prices on mineral fertilizers, development of animal husbandry, subsidized credits, and decreased taxes. During the last 2 years, the Russian grain market has gained the spotlight as officials are increasingly aware of apparent competitive advantages.

Sugar beet production has not been as profitable as other crops in recent years.

In 2007/08, grain production reached 108 M t of grains – the highest over the past 18 years. Russia ranked third in world wheat exports in 2008. Export of grain and flour is estimated at 20 M t for the 2008/09 season, or US$5 billion. This is another record in terms of value, which is comparable with other widespread foreign-trade operations such as wood and lumber (US$7.3 billion in 2008), and weapons (US$8 billion).

However, grain exports could be larger. During the first 6 months of 2008, prohibitive export taxes of 30 to 40% were in effect. Great volumes of Russian grain can't reach global markets because of infrastructure problems such as transport vehicle shortages and insufficient elevators and grain port terminals. Russia's other problem is its traditional reliance on export of low value feed grains, which is a symptom of producers' reliance on inferior seed stocks and insufficient ability to access long-term grain storage facilities. In March 2009, the government addressed these problems through the formation of the United Grain Company (UGC), which reorganized all main state assets and also privately-owned facilities.

Grain harvest in Russia.

The recent financial crisis has found prices and volumes of raw material deliveries from Russia on the decline, but grain exports can increase in comparison since the country has first-rate arable areas under cereals that are primed for yield intensification through the adoption of knowledge-based technologies.

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New Website for IPNI Eastern Europe and Central Asia Group

The Eastern Europe and Central Asia (EECA) Group of IPNI has recently introduced a new website. The URL is: >http://eeca.ipni.net<.

"The site offers current agricultural news about the region, updates on program activities, publications, and links to other resources," explains Dr. Svetlana Ivanova, EECA Group Vice President. She is responsible for the overall EECA program plus Central Russia. Dr. Vladimir Nosov is responsible for the IPNI program in Southern and Eastern Russia.

The content of the website is presented primarily in English, although some of the content and links will also be available in Russian.