

20 years of land reforms.

For almost 20 years in Russia, land reforms have been being conducted. What has been accomplished in this period and what still lies ahead – this is the topic of our conversation with the Chairman of the State Duma Committee on Agrarian Issues, Valentin Denisov.

By Svetlana WEBER



How much lies ahead?

– What positive aspects of land reform would you note?

– During this time the landowner has begun to emerge. However, we are very much conscious of the fact that we are terribly behind in solving certain problems. As of now, 82 percent of agricultural lands are not formally legalized. This results in a shadow market and forcible takeovers. This is occurring in many regions, not only in central ones, but in the far reaches of Russia. We haven't given legal protection to the owners of the land shares which at one time were distributed to the population. We have a lot of so-called escheated lands, which today don't have owners because

of their physical elimination. And often the rightful heirs have no desire to legalize the land. There are complications connected with the huge territory of the RF, such as the difference in price of lands in various regions. It is entirely possible that regional parliaments should be given authority to fine-tune the regulation of issues which are set forth in federal legislation.

BACKGROUND

1861. A land reform abolished serfdom and gave peasants the possibility to buy land by instalment. As a result, 20 percent of lands were transferred to the hands of peasants.

1915. As a result of Stolypin's reforms, around 7 million peasant families received land as private property.

1917. The land is nationalized and transferred for the use of the collective and state farms.

1991. According to the Order of the President of the RF and a series of decrees of the Government of the RF, all agricultural lands were confiscated from the collective and state farms, divided into land shares, and distributed to rural residents.

– Is the process of legalizing rights to agricultural lands going to change?

– The procedure for legalizing lands which exists at present demands too much time and expense, and gives too many rights to bureaucrats at various levels. This needs to be changed. Now fairly significant changes in the law

“On Agricultural Land Transactions” are under consideration in the State Duma. Their main purpose is for all lands to obtain effective owners. On the one hand, they should be protected by law. On the other, they should receive through legislation a stimulus to effectively use and develop these lands. The owner should not only receive produce today, but make sure that the lands will be useful and maintain their full value when passed on to the next generation.

FIGURES

Over the course of 20 years of reforms in agriculture, Russia has lost 18,000 villages.

ANNOUNCEMENTS

15-16 May. An auction of Aberdeen Angus pedigree bulls

Location: Babyninskaya Oblast, Kaluga Oblast

Organisers: Angus Genetics Centre Ltd

May. A seminar on fodder production: preparation of John Deere 7350 combine harvester for the season

Location: Krasny Mayak Agricultural Production Cooperative, Markovo village, Rostovsky district, Yaroslavl Oblast

Organisers: EkoNiva-Kostroma

May. A seminar on John Deere fodder combine harvesters

Location: EkoNiva-Tula Servicing Centre, Bogoroditsk town, Tula Oblast

Organisers: EkoNiva-Tula

May. A demonstration of the AMS navigation system

Location: Sokolovo Ltd, Kolyvansky district, Novosibirsk Oblast; Zvyozdny Ltd, Kemerovsky district, Kemerovo Oblast

Organisers: EkoNiva-Sibir Ltd

May. Visit of live stock experts from Novosibirsk Oblast to the Sibirskaya Niva Dairy Complex

Location: Sibirskaya Niva Ltd, Maslyaninsky district, Novosibirsk Oblast

Organisers: EkoNiva-Sibir Ltd

3-6 June. Kursk Korenskaya Fair 2010

Location: Svoboda village, Zolotukhinsky district, Kursk Oblast

Organisers: Kursk Korenskaya Fair Trading House and Kursk Oblast administration

June. A familiarisation trip to Canada for EkoNiva customers. Visits to the Farm Progress Show 2010, farming enterprises and companies engaged in the production of agricultural products and equipment

Location: Canada

Organisers: EkoNiva Group of Companies

June. “AMS Navigation System, Minimum Technologies” seminar for customers

Location: Lazarevskoye Ltd, Lazarevo village, Shchyokinsky district, Tula region

Organisers: EkoNiva-Tula

June. A familiarization trip for EkoNiva customers to Vaderstad factory in Sweden

Location: Vaderstad, Sweden

Organisers: EkoNiva Group of Companies

June. A seminar on chemical weeding. A demonstration of John Deere self-propelled sprinkler

Location: Letyazhye Farm, Kozhevnikovskiy district, Tomsk Oblast

Organisers: EkoNiva-Sibir Ltd

John Deere:

On 27 April 2010, the John Deere Company officially opened a new production complex and distribution centre for spare parts in Domodedovo, Moscow Oblast. Now the famous tractors and combines with the leaping deer on the side will be assembled in Russia.

By Tatiana Pavlova

from Russia for Russia!

At the complex, which has a total area of 47,000 m², lines for manufacturing 8 and 9 series tractors are in operation, as well as for two types of grain harvesting combines: the rotary STS9670 and the conventional W650. The company plans to set up assembly of excavators, loaders, and lumbering equipment in Domodedovo. The first Russian John Deere machine was a 9 series tractor. Over 200 invited officials, dealership representatives, and clients of the company were present for the grand

opening of the factory in Domodedovo.

"In June 2010, 100 years will have passed since the moment John Deere sold its first



equipment in Russia," said Samuel Allen, executive director and chairman of Deere & Company Board

of Directors. "It is symbolic that this is the year we are opening our new factory in Russia, which has traditionally been open both to advanced equipment and to modern methods of agricultural management."

John Deere has long-term plans with respect to the Russian market, which consist of the intention to invest 500 million dollars in the next five to seven years, beginning with this object in Domodedovo. Besides that, this year the company joined the Russian union of industrialists and entrepreneurs.

It is worth noting that the equipment turned out by John Deere Domodedovo will be assembled in accordance with the John Deere system of production and quality – one of the strictest and most precise production systems in the world. The new world-class Eurasian parts distribution warehouse, with an area of 27,000 m², is capable of supplying the needed parts to all the company's clients in the shortest of periods. Today there are 65,000 kinds of parts here, which is 50 percent of the planned volume. The warehouse's 12-hour workday allows it to fill high-priority orders within 24 hours. Each day 10 tonnes of parts are sent to 48 outlets throughout Russia.

The sales director for the EkoNiva Company - the

biggest John Deere dealer in Russia - Gennady Nepomnyashchy noted that the new factory is a step forward both for John Deere and for all the dealerships.

"It's important that high-class, reliable imported equipment has become more affordable for Russian agricultural enterprises," says Gennady Nepomnyashchy. "After all, now, like all equipment produced in Russia, it qualifies for the subsidy and financing programs. And the presence of a modern parts warehouse on the territory of Russia will significantly reduce delivery times and allow servicing of the equipment to be conducted on a European level."

Pressing issues of agrarian policy in Russia and Germany were discussed at a forum for representatives of political circles, agrarian science, and agribusiness of the two countries

By Svetlana WEBER

When greeting those who had gathered, the director of the German-Russian Agrarian and Political Dialog project, Harald Hoppe, noted that 16 years of collaboration in the agrarian sphere not only has strengthened relations between Russia and Germany, but has helped the development of both countries. He emphasized that thanks to the Dialog, close contacts have been established between decision-makers in the agriculture industries of Russia and Germany.

This thought was supported by Axel Stockman, the head of the Department of Agriculture of the Embassy of the FRG in Moscow.

"We have succeeded in building multilevel collaboration between Germany and Russia, from cooperation between the ministries of agriculture and industry unions to joint scientific projects and student exchanges."

The chairman of the State Duma Committee on Agrarian Issues, Valentin Denisov, named a series of areas where Germany's experience

Agrarian Dialog between Russia and Germany



has turned out to be much needed in our country. These areas include land legislation, government participation in the regulation of the agriculture industry, the development of rural regions, and the development of technical regulations for the manufacture of food products. He also expressed the hope that thanks to the support of German experts, this year they will be able to pass laws and amendments to the laws On Seed Breeding, On Stock Breeding, and On Veterinary Medicine.

The sides exchanged information on the situation in the agricultural industries of the two countries. It was interesting to learn that in the agricultural budget of Germany for 2010, the largest item of expenditure,

3,800 million euro, was allotted for social needs in agriculture. For comparison, only 300 million euro were allotted for the pasture and dairy programme.

As for the development of the German-Russian Agrarian Political Dialog project itself, many wishes were expressed for more active recruitment of young people, scientists, and businesspeople into the programme. And Valentin Denisov suggested shifting the emphasis to the regional, and maybe even the municipal level, in order to attract as many new partners as possible to the project, and so that ordinary citizens, in whose name this project is functioning, could participate in the dialog between Russia and Germany.

IN BRIEF

According to Vice-Chairman of the Government of the RF Viktor Zubkov, the total area of spring sowing was 47.9 million hectares, of which 30 million hectares is occupied by grain and leguminous crops. This year a course has been taken toward increasing production of high-protein crops for the needs of stock breeding. Fields have been planted with 21 percent leguminous crops, 20 percent maize for grain, 26 percent soy, and 32 percent spring rape. 151 milliard roubles have been allocated toward loans for spring field work. "The interest rate on them is lower than it has ever been – 12 percent," noted the vice-premier of the Russian government.

EVENTS

Dairy Farming:

The governor of the Voronezh region, Aleksey Gordeyev; accompanied by the president of Avangard Bank, Kirill Minovalov; and the chairman of the Prodimex Group of Companies board of directors, Igor Khudokormov; visited an EkoNivaAgro dairy complex. The main purpose of the visit was to demonstrate the economic success of dairy farming in the region through the example of a specific enterprise.

By Yulia SALKOVA

Here there will be three cow barns for 480 head each of dairy herd, another for 300 head of dry cows, a dairy unit, a birthing area for 100 cows, an open area for young stock, individual hutches for calves, and silage trenches.

This year they plan to import a thousand head of pedigreed black and white Holstein-Friesian heifers from Austria, Germany, and Hungary. The animals will be housed using free-stall technology in group and individual boxes on deep litter. For calves there will be individual cold-housing hutches. Milking will be conducted on a GEA WestfaliaSurge rotary milking system with 40 milking stations, which has the capacity to milk 220 cows per hour.

The first stage of the complex is expected to open in November 2010, and in 2013 they expect to put the complex into full operation.

The total volume of investments in the stock breeding project is 646 million roubles, of which 80% is borrowed from Sberbank within the framework of the National "Development of the Agricultural Industry" Project.

Stable Income Year-Round

Modern technology serving profitability

The delegation, accompanied by the president of the EkoNiva Company, Stefan Duerr, inspected the cow barns, where 980 head of cattle are housed using free-stall technology; the area for fattening of young stock; the individual hutches for 260 calves; and the high-tech milking parlour. The information centre, where the management of the entire herd is conducted with the help of the Dairy Plan herd management

program, attracted the guests' particular attention. The director of the complex, Vitaly Yozhikov, demonstrated how the program works, and also, at the guests' request, placed an accent on the technologies used.

Aleksey Gordeyev noted that this stock breeding complex is one of the best in the country.

"Here is high profitability, good milk quality, and most important, stable production volumes regardless of the season," says Aleksey Gordeyev.

He also emphasized that dairy farming is one of the factors which promote the development of rural regions.

The governor was also told how business is going in other stock breeding divisions of EkoNivaAgro which were created on the foundation of old farms. Aleksey Gordeyev was interested in knowing which had better perspectives, reconstruction or building "from scratch."

"The future is in new complexes," answers executive director of

EkoNivaAgro Aleksandr Rybenko. "Reconstruction is a temporary thing, and we've already reconstructed everything we can on our farms." And to continue, he added, "Several days ago we already started building another stock breeding complex in the village of Kolybelka."

The new complex will be home to Holsteins

The estimated capacity of the new complex is 1,800 head.

A rebirth of the traditions

The EkoNiva Company is starting a new project in the Kursk Oblast for breeding seed potatoes of varieties from the German selection company EUROPLANT.

By Tatiana PAVLOVA



of Kursk potato farming

EkoNiva has been growing seed potatoes since 1997. It was with this crop that our seed breeding work began. Only one of the corporation's farms specialized in producing seed potatoes - Kaluzhskaya Niva. Now the corporation's financial resources, the availability of qualified personnel, and the practical and consulting assistance of specialists from EUROPLANT will allow us to organize another production site quickly and produce quality seed potatoes at Zashchitnoye Ltd as well.

It is planned to produce five to six thousand tonnes of seed potatoes here each year. A full set of equipment for potato cultivation from the Grimme Company has already been purchased. Preparation is underway for construction of a modern storehouse for six thousand tonnes.

"We have been planning to develop potato seed production at Zashchitnoye for a long time," says executive director of EkoNiva-Semena Yuri Vasyukov. "But the situation on the market in the Central region was not so favourable. Today the potato market demands quality seed material, and we're ready to produce it."

The administration of the Kursk Oblast supports the rebirth of potato production in the region. In the Korenevsky district, on an area of 880 hectares, the first specialized farm for growing potatoes has been created. Here it is planned to get no less than 24 thousand tonnes of produce each year. The EkoNiva specialists conducted a training seminar for the farm's employees on the technology of cultivating potatoes. The farm, in turn, is interested in quality seeds from EkoNiva.

IN BRIEF

With the second largest branch network in the country, Rosselkhozbank seeks to provide country folk with credit cards.

"For many of our customers, especially those living in the countryside, a Rosselkhozbank card is the first such card in their life," says Sergey Smirnov, Chairman of the Rosselkhozbank Board of Directors. "We are doing our best to make bank cards part of a villager's everyday life."

He added that people living in the countryside should have the same opportunities to use cards as cityfolk. That is why the bank is steadily increasing the number of ATMs and of cards issued.

According to plan, by the end of this year the number of credit cards will grow from 414,000 to 1-1.5 million.



Winter crops-2010:

**USING ONE'S OWN
EXPERTISE**


Field work in Central Russia is in full swing. The agricultural producers in many regions have run into serious crop production problems. The winter grain crops in some regions of the Central Federal District experienced heavy losses during the winter.

By Roman RATNIKOV, Doctor of Agricultural Science, Chief Agronomist, EkoNivaAPK-holding

Our records show that wintering was the worst in the Belgorod, Voronezh, and Kursk Oblasts and in the south of the Lipetsk and Tambov Oblasts. Based on preliminary estimates received from our colleagues, re-sowing of winter crops in those regions is scheduled for 50% of the fields. In some districts, for instance Rovenskoy and Valuisky of Belgorod Oblast, this figure reaches 90%.

Based on our experts' observations, the main reason of the winter crops' losses in the Central Black Earth region was the formation of a strong ice crust in December-January and, to a lesser extent, the winterkilling and rotting.

The best frost resistance of winter wheat was observed on fallow fields and sown areas adequately treated in autumn with phosphorous and potassium fertilizers (P 50-70 : K 50-70 kg/ha). The seeds that tillered well in autumn, suffered less from the wintering as compared to low developed seeds.

In areas where the main reason of the winter crops' failure was the ice crust (ground-in crust) the wintering practically did not influence the variety's characteristics.

For instance, at the EkoNivaAgro facility in Liskinsky district, Voronezh Oblast, it was discovered that in places where the local rains had formed the ice crust, the spring wheat of even frost-resistant varieties supplied by the Voronezh-based Dokuchayev Farming Research Institute, suffered a 75 to 90% loss whereas in the neighbouring divisions, located 30-40 km from those places, there was no ice crust and all of the winter wheat sowings wintered successfully.

the struggle for survival

Among them were even less frost-resistant varieties.

The spring came late in the Central Federal District, with a fast growing temperature and little rainfall, and this set more stringent requirements for the winter wheat processing equipment.

With reference to nitrogen top-dressing, the main element of winter wheat treatment, considering this year's conditions, for an average yield of 5 tonnes per hectare we give the following recommendations based on the experience of domestic and foreign experts as well as on our own surveys and experimental results:

As winter wheat care goes, the harrowing is all-important! However, this issue needs an individual approach. Harrowing is good only for well sprouted plants and those that had solidly struck root. Sowings that have just started tillering in stage 21-22 should be harrowed only after they have fastened themselves firmly in the soil.

For harrowing, it is possible to use the couplings of tooth harrows in a row or Striegel spring-aided harrows. The direction of the movement is perpendicular to the seeding process. The machine moves no faster than 7 km/h.

Winter crop condition	Non-fallow predecessor (grain crop, maize, sunflower)	Fallow predecessor (clean fallow, peas, rape)
Good	<p>First top-dressing – 150 kg/ha of ammonium nitrate during tillering, the start of tube formation (st. 29-30)</p> <p>Second top-dressing – 100 kg/ha of ammonium nitrate during tube formation (st. 31-32)</p> <p>Third top-dressing – foliar top-dressing by carbomide, 20 kg/ha, or 3-4 kg/ha of Terraflex 17:17:17, during ear formation (st. 51).</p>	<p>First top-dressing – 120 kg/ha of ammonium nitrate during tillering – start of tube formation (st. 29-30).</p> <p>Second top-dressing – 80 kg/ha of ammonium nitrate during tube formation (st. 31-32).</p> <p>Third top-dressing – foliar top-dressing with carbomide, 20 kg/ha, or 3-4 kg/ha of Terraflex 17:17:17, during ear formation (st. 51).</p>
Satisfactory	<p>First top-dressing – 150 kg/ha of ammonium nitrate at the physical maturity of soil or in early thaw conditions (st. 21-26)</p> <p>Second top-dressing – 150 kg/ha of ammonium nitrate during tillering, the start of tube formation (st. 29-31).</p> <p>Third top-dressing – foliar top-dressing by carbomide, 20 kg/ha, or 3-4 kg/ha of Terraflex 17:17:17, during ear formation (st. 51).</p>	<p>First top-dressing – 150 kg/ha of ammonium nitrate in case of physical maturity of soil or in early thaw conditions (st. 21-26).</p> <p>Second top-dressing – 100 kg/ha of ammonium nitrate during tillering and tube formation (st. 29-31).</p> <p>Third top-dressing – foliar top-dressing with carbomide, 20 kg/ha, or 3-4 kg/ha of Terraflex 17:17:17, during ear formation (st. 51).</p>

TECHNICAL INSPECTION

STRAWMASTER,

Why is it necessary to use a heavy harrow in the minimum- and zero-tillage seeding method?

By Nikolay BASHKIROV



THE INDUSTRY STANDARD

When applying the zero- or minimum-tillage seeding method, it is necessary to spread and crush the previous year's residual stubble in order to enable the crop to grow through a less compacted layer of residual stubble and to ensure the uninterrupted operation of the seeder.

Once the seeder is clogged, it must be stopped for cleaning. This represents a loss of time, fuel, fertilisers and seeds. A heavy harrow's pass before seeding allows the soil to warm more evenly, thus stimulating the sprouting of self-sown plants and weeds. Thus, the subsequent chemical extermination of seeds is more efficient. This facilitates the development of the sown crop.

In addition, pre-seeding cultivation by a toothed harrow does not desiccate the soil and destroys weeds. Whereas the seeder leaves an insufficiently smooth field, the heavy harrow can smooth it out very well after seeding. The toothed harrow in the extreme rear position levels the field, compresses the soil, and minimizes surface irregularities, all of which substantially helps in harvesting.

The Strawmaster heavy toothed harrow from Degelman, Canada, is a novel machine created for resolving complex problems in straw handling and soil levelling. Fitted with 66 cm fingers arranged in five rows and assembled from large units measuring 3 m in width and 6 in length, this machine

is a leader among today's straw-handling equipment. Strawmaster crushes the straw, destroys weeds, rakes the flax straw and, if fitted with relevant devices, introduces chemicals and sows seeds.

The spring-aided rods on the sides of the frame evenly distribute the stress. They ensure the features of the terrain are followed by raising the frame on hillocks and lowering it in depressions. Thus, they ideally "hug" the ground. Hydraulic regulation of the tooth angle is offered as an option instead of the conventional mechanical system.

Thanks to rigid struts, the Strawmaster is highly manoeuvrable, turns sharply, moves backwards on the field, maintains the required on-soil pressure, reduces adverse vibration of mud guards and minimizes harrow bounce. The teeth are tapered, conical. This shape reduces metal fatigue, prevents overstrain and minimises the probability of tooth breakage. The tooth diameter is 16 mm; the length is 660 mm (the wear redundancy is 280 mm); and the tooth pitch is 15.2

cm. The operating speed may reach 24 km/h, which is the best ever achieved on the market. Optionally, a Valmar applicator may be installed right on the harrow frame, thereby creating a system for efficient and economical introduction of granulated chemicals and extra sowing of fine seed crops. On offer are machines with a grip width of 9.1, 15.2, 18.9, 21.3, and 25 metres for tractors with power above 100 hp.

Reliability of all subsystems and subassemblies is the special feature of Degelman machines. Since 1962, Degelman Industries has been working towards an ideal blend of construction strength and intelligent performance. This has resulted in outstanding equipment with operational characteristics surpassing all expectations.



AN OPINION

Alexander Vais,
chief of IP Vais private enterprise
(Krasnozyorskoye, Krasnozyorsky district, Novosibirsk Oblast)

"We have been using a Degelman harrow since the spring of 2009. We apply it for zero treatment. The harrow follows the terrain features very well, leaving the treated soil ideally even. It suits us."

Aleksandr Lunyov,
ZAO Novomaiskoye chief agronomist
Maiskoye village, Krasnozyorsky district, Novosibirsk Oblast)

"The Degelman harrow works fine on our farm at fairly high speeds of up to 18 km/h. As servicing and operability of subsystems go, we don't have a single complaint. The harrow has been in operation since the 2009 sowing campaign under the No-till scheme. We are resolved to use it in the coming seeding campaign, too. The machine does an excellent job on field levelling and spreading residual stubble. It's second to none in terms of efficiency."

WORKING ON MISTAKES

Stefan Duerr:

How did the Russian agriculture industry as a whole survive the crisis, and what conclusions did specific agricultural producers, who were struck by this very crisis, have to make? The president of the EkoNiva Company, Stefan Duerr, shares his thoughts.

By Svetlana WEBER



"You can't blame your own errors on the crisis"

Lesson 1: The giddiness of success

I would call the years before the crisis wild. In 2007 there were amazingly high prices on grain. In 2008, demand for agricultural equipment went through the roof. We couldn't supply machines to everyone who wanted them. Many got the impression that we could stop developing, that we could sit with our hands folded and reap the rewards. And suddenly after the euphoria came the sobering up. Prices on grain and milk fell to a minimum, nothing was selling, and prolonging the loans we had taken was very difficult. Immediately all the mistakes which no one paid attention to during the period of success became obvious. Some even now don't want to admit their errors, trying to blame them on the crisis, and suggest returning to 2008.

But that's impossible! Now we must continue where we left off in 2006. It's those who stake on development who have

prospects. Those who stay in one place should get out of the market.

Lesson 2: All your eggs in one basket

Those who two years ago switched completely to grain production and made fun of dairy farming are now experiencing great difficulties. For the second year in a row, grain prices remain low. Not all farms can tolerate this. Dairy producers have no cause to complain. Prices are good, thanks in part to state support. What's bad is that cow herd size has significantly decreased. During the crisis, many farms butchered animals because of low milk prices and tough financial conditions. According to some data, dairy production in Russia in 2009 was less than 20 million tonnes, but a year ago this figure was much more impressive.

While the crop sector can

be high, unless, of course, they open the borders. Then we won't be able to compete in price with dairy products from New Zealand, where the climate makes for low costs, or from Belarus, because of high state support for the dairy industry.

Our company is staking on milk, and is continuing to broaden dairy production, so needed in Russia. We can't allow the people to be fed imported powdered milk.

the salespeople have left over from pre-crisis times is causing some trouble. They sell it at dumping prices, which introduces instability to the market. I think this problem will disappear on its own next year.

It is important that today the state supports Western manufacturers who have decided to open agricultural equipment factories in Russia. These are companies like John Deere, Vaderstad, Grimme, Lemken, and others. Now these manufacturers' equipment will become more affordable for Russian farmers, since they qualify for the financing and subsidy programs.

Lesson 4: What goes around comes around

In extreme conditions, the team has great significance. If your employees can close ranks and, gritting their teeth, fight for results, then you can survive and

strengthen your position on the market. I'm glad that I can count on the EkoNiva team.

It is also very important during a crisis what kind of reputation your company has earned. This can determine whether the authorities of the region where you work, the banking system, suppliers, and clients will support you in hard times. Only effective enterprises which long before the crisis were able to build trusting partnerships can count on such support.



Lesson 3: New guidelines

While in 2006-2008 our main earnings came from the sale of new agricultural equipment, today it is very important to develop such areas as shipment of spare parts, providing service, and sale of used equipment from large Russian holdings to small agricultural producers. This can bring good earnings, since today clients aren't standing in line for agricultural equipment like in 2008. Sales are going according to plan. Equipment

be restored relatively quickly, dairy production can't be quickly re-established. Therefore there won't be enough Russian milk



Pedigreed Angus Cattle Auction:

CATTLE BREEDING NEWS

On 15 May the Angus Genetics Centre is holding the first auction of pedigreed bulls in the history of our country. 50 pedigreed Aberdeen Angus bulls, registered in the American herd-book, will be put up for sale.

By Svetlana WEBER

The Angus Genetics Centre began work in the Babyninsky district of the Kaluga Oblast in summer of 2008. 3,200 head were brought from America, and it is planned to bring another 3,000 in the near future. There will be around 3,000 calves by the end of this year. It is expected that by the end of 2014, there will be over 50,000 head of commercial breeding stock. Now there are five consultants from America working at the Genetics Centre, and soon another ten specialists will arrive. Their task is to teach their Russian colleagues stock

Who Bids More?

breeding and the technology of cattle rearing.

"We want to create a vertically integrated closed-cycle structure," says one of the enterprise's stockholders, Sergey Nitsenko. «Beef farming includes three different areas:

stock breeding, rearing cattle for fattening, and the fattening itself. Our task is to get as many participants as possible involved in the most large-scale work, cattle rearing. Russia needs a herd, so that domestic meat will appear on the market."

By the way, a preliminary

agreement has already been reached on shipments of



INFORMATION
The Aberdeen Angus breed of beef cattle. First developed in Scotland (in Aberdeen and Angus counties) through the improvement of the local black polled cattle.

Black in colour. Live weight of bulls is 750–800 kg, sometimes as much as 1,000 kg; live weight of cows is 500–550 kg, sometimes as much as 700 kg. With intensive rearing, bull-calves can reach 450 kg by 15 months of age. Slaughter yield is 62–65%. Meat quality is high: the meat is tender, fine-grained, and has good marbling. When crossed with other breeds, the animals pass on the meat quality to their descendants well. Aberdeen Angus crossbreeds are characterized by quick maturing, high slaughter weight, and good-quality meat.

pedigreed cattle to the Voronezh Oblast, where a fattening

enterprise will be created. The first shipment of animals should arrive in the region in autumn of this year.

Russian enterprises which engage in beef farming have been invited to the auction. From the American side, specialists from the Angus Association, stock-breeding scientists, and other business partners of the Genetics Centre are expected to come. According to the organizers' plan, the auction should be not only a commercial event, but also an educational one, promoting the development of beef farming in Russia.

The Genetics Centre is planning the construction of a bull semen collection station, and also a training centre. If they succeed in realizing their plans, then in the next few years the Kaluga Oblast will become a beef farming Mecca.

EXPERIMENT

Differentiated seeding



tested on one's own land

Slopes, depressions and forests along perimeters are places where more moisture gathers and, hence, the seeding output should be greater than, for instance, on smooth areas where the moisture content is lower. Differentiated seeding is an optimum approach to fields with a complex relief and varying mechanical properties of the soil. We have carried out experimental seeding on the fields of EkoNivaAgro using software supplied by Hansenhof Electronics, Germany. Among

those involved in the experiment were Dietmar Schmidt, a German adviser in agricultural technologies, and Steffen Schmieder, director of Hansenhof Electronic.

DATA

Experimental field area – 100 hectares
Seeding variety: Trizo spring wheat
Agricultural equipment used: Series 9 John Deere tractor fitted with Rapid 600C (Vaderstad) seeder with a 6m grip width
Software developer: Hansenhof Electronic

Step 1. First, the field relief is determined using GPS navigation. Based on the data obtained, it is "divided" into areas with a seeding output of 100 kg/ha, 120 kg/ha, and 140 kg/ha. Then, an application

map is made (Fig.1) in the Gis Navikat module of Hansenhof Electronic software.

On most Russian farms, the single seeding method still reigns supreme even though it is possible to take advantage of the special relief and mechanical properties of fields.

By Denis DUDKIN, GPS navigation expert

map is made (Fig.1) in the Gis Navikat module of Hansenhof Electronic software.

Step 2. The map obtained map in this way is introduced into a special monitor (made by WTK Electronic, Germany), (Fig.2), installed in the cabin of a tractor fitted with a Rapid 600C seeder.

In operation, the monitor is connected to the seeder control panel (Fig.3) and regulates the seeding output according to the GPS position of the seeder. In fact, the seeding output is adjusted automatically, as we observed using the Rapid seeder control panel.

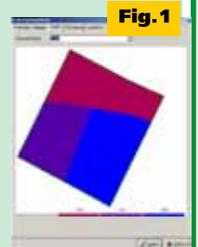


Fig.1

Fig.2



I wish to point out that it was the first test of Hansenhof Electronic software.

Using it, we also plan to introduce mineral fertilizers.

At a later date, we won't fail to report the business results of our experiment, such as the savings of seeds and fertilisers and the final yield.

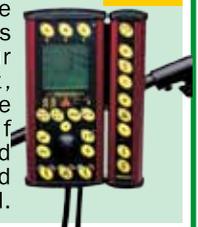


Fig.3

WE ARE DEVELOPING!

BROADENING THE HORIZON

EkoNiva organised a seminar on new farming technologies for farmers of the Sverdlovsk Oblast.

By Yulia SALKOVA



and by the virtual absence of the international agricultural brands at the region's largest exhibition.

The second seminar was organised on the eve of the sowing campaign. The Urals farmers were introduced to the various farming technologies and special features of their use in the given region. In addition, a presentation was made for them of seed varieties best suited for the moderately Continental climate. The farmers took a serious interest in grains and beans that are new to them but have shown their advantages in other regions. They placed orders already for the coming campaign. EkoNiva-Semena will supply the Sverdlovsk Oblast with Margret and Danuta spring barley, Trizo spring wheat, and Phoenix and Rocket peas.

The Rapid seeders and Top Down and Carrier cultivators

Cooperation with the farmers of the Urals region began as far back as 2007. That was when EkoNiva-Semena supplied European-selected seeds for the region. The partnership relations gathered



the momentum in February of this year at the regional UralAgroProm 2010 Exhibition, where EkoNiva organised a seminar in association with the Sverdlovsk Oblast Department of Plant Industry.

The farmers displayed a very keen interest in modern

agricultural technologies of EkoNiva, noting that "in the Urals they still work in the old way, using obsolete equipment and knowing only by hearsay about new practices accepted the world over." The EkoNiva officials were also surprised by the rather modest range of exhibited equipment, seeds, crop protection equipment



from Vaderstad became yet another interesting subject. The farmers wished to see the equipment in action. That is what EkoNiva specialists promised to arrange at the region's next Field Day.

On 4 February 2009, the Russian Federation Government issued decree No. 90 On Distribution and Provision of Subsidies from the Federal Budget to the Constituent Entities of the Russian Federation for Paying Charges for Loans Obtained from Russian Credit Institutions and Credits Received at Agricultural Credit Consumer Cooperatives. Once this was passed, the four previous decrees that regulate the distribution of subsidies for loans and credits were no longer valid.*

By Tamara SOKOLOVA,
RATUM Group legal adviser

This document contains rules that consolidate the provisions of the previous documents and introduce some new provisions:

New rules of subsidy allocations

LEGAL NAVIGATOR

Item No.	Previous provisions	Current provisions
1.	The terms for providing subsidies to the budget of constituent entities of the Russian Federation were not established.	Terms have been established for providing subsidies to the budget of constituent entities of the Russian Federation: existence of an approved regional program of development of agriculture; existence of relevant budgetary allocations in the budget of the constituent entity of the Russian Federation; existence of a legal regulatory act of the constituent entity of the Russian Federation that envisions a procedure of issuing funds to agricultural producers as a partial indemnity for losses.
2.	Previously, the amount was determined as 1/3 and 2/3 of the RF Central Bank's refunding rate.	Establishes the amount of funding providing from the federal budget and the budget of the Russian Federation's constituent entity. It is determined as a percent of the RF Central Bank's refunding rate: - under credits up to 1 year – 80% of refunding rate; for organisations producing meat and dairy products – 100% of refunding rate; - under investment credits obtained after 1 January 2004 for 2 to 8 years for purchasing equipment, machines, etc.; from 1 January 2004 till 1 January 2008 for 2 to 8 years for purchasing agricultural machinery; after 1 January 2009 for up to 8 years for rural housing construction – 80% of refunding rate; and under credits for construction, reconstruction, and modernisation of cattle breeding facilities – 100% of refunding rate; - under investment credits concluded after 1 January 2008 for up to 10 years for purchasing agricultural equipment - 80% of refunding rate; and for organisations producing milk and dairy products – 100% of refunding rate.
3.	Previously, there were no single procedure and estimation formulas for subsidies.	A procedure and estimation formulas have been established for subsidies provided to the budget of a constituent entity of the Russian Federation.

The chief distributor of budgetary funds allocated for providing subsidies is an organisation authorised by the constituent entity's supreme executive body for cooperation with the Ministry of Agriculture (as a rule, these are the RF constituent entity's committees for agro-industrial complex). A company or an individual businessman producing agricultural products may turn to this authorised organisation to get a subsidy.

* Russian Federation Government Decree No.998 of 29.12.2007.
Russian Federation Government Decree No.999 of 29.12.2007.
Russian Federation Government Decree No.1000 of 29.12.2007.
Russian Federation Government Decree No.1001 of 29.12.2007.



Focus ON US!

PHOTO EXHIBITION

Please, send your photos marked FOCUS ON US! to:

305004 Kursk ul. Radishcheva, 79-a 000
EkoNiva-Media or e-mail them to: vesti@ekoniva.com
Please, feel free to contact us on the telephone:
+7 (4712) 39 26 60

EkoNiva continues a 'FOCUS ON US!' photo competition. We invite the participation of anyone who thinks that the best moments from the life of a village and of the peasants are moments worth capturing as history. The photos will compete in one of the following categories:

The best photos will be published in EkoNiva-News and awarded prizes. Moreover, most interesting and attractive pictures will be demonstrated at the exposition.

1. **Russian Field...** (You can send photographs featuring fieldworks or pictures of beautiful landscapes featuring fields)
2. **Field Machinery of the XXI Century!** (We are expecting photographs of state-of-the-art agricultural machinery and equipment required for implementation of advanced agricultural techniques)
3. **The Renaissance of Livestock Breeding.** (Send us pictures of livestock farms)
4. **Farmers of Russia – we expect portraits of your neighbours, friends and relatives...** and any other persons who work on the land
5. **My Native Village and My Home** (Send us photos featuring the most interesting moments in the life of your native village)

Children love toys.



And so do adults...



EkoNiva engineers can't help disassembling a John Deere tractor, be it even a toy

That's a dashing fellow!



Servicing engineers from Kursk relax after work

"A little more practice and I'll be fit for a rodeo in Texas."

A cow from EkoNiva-Agro shows off



A bit more and off it will go!



The skilled hands of the EkoNiva engineer bring back to life even this old artefact

AgroVyatka 2010: high profitability through high technologies

"We regard farming as a branch of the economy which can and must work very profitably," Nikita Belykh, Governor of the Kirov Oblast said as he opened the exhibition. "This is possible only if advanced technologies are used."

EkoNiva-Vyatka presented modern equipment from the world's leading manufacturers and highly productive varieties of European-selected seeds. Aleksey Kotlyachkov, the head of Kirov Oblast Department of Agriculture and Food Supplies, recommended EkoNiva-Vyatka to the exhibition guests as a reliable and responsible

The latest Inter-Regional Specialised AgroVyatka 2010 Exhibition was held in Kirov. More than 50 enterprises of Kirov Oblast and other regions took part in it. Its visitors could familiarise themselves with advanced types of agricultural machines and farming equipment, with plant protection technologies, mineral fertilisers, seeds and field crops.

By Lyudmila ZYKOVA



Governor Nikita Belykh at the EkoNiva-Vyatka exhibition.

supplier of imported agricultural equipment.

On the demonstration site, the company introduced the sales leaders of its region: a John Deere 8430 tractor with Top Down root cultivator, JCB telescopic loader, newly designed BVL V-mix 10 eco fodder mixer, original spare parts and seeds.

The farmers of the region were pleased to acquaint themselves with the products and they signed deals while the exhibition was still in progress. A Vaderstad seeding system, John Deere 7730 tractor, fodder-, potato-, and grain combine harvesters, harrower and agitator were sold.

EkoNiva-Vyatka received the exhibition's award for introduction of new technologies in the Vyatka region.

Obtaining expertise EQUIP WILL DO IT ALL



from Sibirskaya Niva

The Sibirskaya Niva cattle breeding complex has once again become a meeting place for executives and chief zootechnicians of farming enterprises from the Novosibirsk and Kemerovo Oblasts and the Altai Territory. The agricultural experts studied the technology of loose housing of dairy cattle.

By Yulia SALKOVA

The participants of the seminar were introduced to machines used in their work: John Deere series 5, 6, 7, 8, and 9 tractors; the JCB 531-70 loader; Kverneland 807 straw crusher; and the Kverneland 612 fodder mixer and distributor.

The Siberian cattle breeders also watched milking by the AutoRotor system from WestfaliaSurge with a throughput capacity of 2,000 animals per day; cow-house cleaning by a tractor (an optimum solution for the Siberian climate); and fodder distribution by the Kverneland 612 fodder mixer and distributor.

The cattle breeders were particularly interested in the Dairy Plan herd estimate software that stores all the information about each animal. Also, the guests were taken on an excursion to the maternity barn and shown a youngsters' site with individual stalls for calves.

Johannes Egbert, the leader of the ProEconomics GEA WestfaliaSurge consulting group, talked about the loose housing system for dairy cattle. He dwelt in detail on reconstruction of old farms and gradual modernisation of conventional cow-houses.

"Such seminars can help to turn milk production into one of the most promising industries in the Novosibirsk Oblast," said Johannes Egbert.

At the conclusion of the seminar, the Siberian cattle breeders decided that in spite of considerable spending, the new technologies are a must in dairy production. Ivan Govorukha, the head of ZAO Konyovskoye, noted that the working style on the farm may be changed step by step through modernisation of old cow-houses and replacement of inoperative equipment. This will provide an opportunity to produce top quality milk.

Officials of the Australian company Auto-IT and EkoNiva-Chernozemye, Voronezh, "met" via an on-line conference. Frank Maiolo, Auto-IT's strategic projects manager, introduced the audience on the other continent to a new software system, EQUIP™, which integrates all areas in which EkoNiva works.

By Yulia SALKOVA

EQUIP has been developed to enhance the efficiency of major dealers engaged in the supply of agricultural machines among other products. This is a tool that integrates information about finance, spare parts, servicing, sales and customer data bases into a single system.

The introduction of the EQUIP™ into EkoNiva will make it possible to monitor business operations of all regional offices of the company and resolve the problem of the diversity in the current databases. Also,

it will ease operations in the servicing and spare parts supply department and help all the divisions and offices to "see" each other's work and interact more efficiently.

EkoNiva participants of the conference noted that the performance of EQUIP™ is ten times more efficient than that of counterparts, but the transition to it must be gradual. Talks are already progressing with Auto-IT over acquiring 20 to 25 test versions and training EkoNiva specialists.



PROFILE

In 2004 the EQUIP™ system came onto the market and immediately won popularity. At present, the efficiency and reliability of the system are well known across the globe. Many dealer companies around the world use it, including those in Australia, Canada, Mexico, New Zealand, Thailand and the US. Among EQUIP™ users abroad are the suppliers of John Deere farming equipment, who use it in dealer operations in North America, Australia and globally.

OUR PEOPLE

The Girls of EkoNiva



Today most young people strive to live and work in the city. However, there are those who consciously choose the rural way of life and work on the land. Like the young women who work at Zashchitnoye Ltd. We decided to pay them a visit. I called them beforehand: "Girls, I'm going to take an interview from you." They laughed in response: "Should we wear our parade uniforms?" I answered, "Of course, we're going to take pictures!"

By Tatyana PAVLOVA



on the Farm and in the Field

An hour's drive from Kursk and I'm there. The first stop is Zashchitnoye stock-raising complex, managed by Yekaterina Brusentseva.

"Here I'm in my own place"...

Under Katerina's command are the entire staff of the complex and 650 horned charges.

As a child she dreamed of becoming a veterinarian – she really liked to "treat" their cow at home. But she went to study animal husbandry. After graduating from Oryol Agricultural University, she worked for five years as head livestock specialist, fattening bull-calves at a large farm in the Oryol region. She came to the EkoNiva dairy complex with work experience. Here she had the chance to try herself in various stock-raising roles. After all, the boss should know how to do everything: milking, treatment, cleaning up, and delivering calves.

"In the beginning it was hard," recounts Katya. "I arrived at the complex in February 2009, when reconstruction was in full swing. It was -25oC outside. The cows were being kept in an old barn. I had to work sixteen hours a day. But it was worth it!"

Indeed, over the past year the farm has changed beyond recognition. Today it is a modern stock-raising complex; the animals are housed using free-stall technology on deep litter. Calves are reared in cold-housing hutch es. The newest

milking and milk storage equipment has been installed. This year the complex received the status of stud farm for the breeding of Simmental cattle.

"Today our statistics look respectable: 21 litres of milk per dairy cow, and in all the complex gives 7.5 tonnes of high-quality milk per day! Thanks to new technologies and the excellent work of our veterinarians, we have good herd livability," says Katya with pride. "I really love my work, as trite as it may sound. And I know for a fact that here I'm in my own place."

Of course, free time is terribly lacking; the animals demand constant attention. Days off are rare, and it's difficult to tear oneself away for a holiday. But when she is able to find time, Katya goes to the ice palace in Kursk and has a wonderful time.

What do you think a young woman might dream of? You guessed wrong! Katya dreams that the complex she works at will develop and become more profitable.

"I've come home"...

The next destination is the village of Zashchitnoye. Here in the farm's seed inspection laboratory works Irina Kolyubayeva, a recent graduate of the Kursk Agricultural Academy.

Just like her older sister, Ira graduated from the agronomics department. 3 July, 2009 she received her diploma, and three days later she started work at EkoNiva.

"I was born and raised in Zashchitnoye, and my parents live here," recounts Irina. "Now I've come home, too. I'm very glad that I'm working in my field of expertise, especially in the big EkoNiva family."

Ira tells about her work with enthusiasm: "We see to the quality of the seed material. It's important work. If you do it shoddily, the harvest on the farms will be poor. So I have to be extremely attentive. Government standards allow a certain amount of impurity in seed material, but the according to the standards of our director, Yury Vedentyevich Vasyukov, the purity of variety in each lot

should be 100 percent! When you see the benefit from your labour, you work with pleasure and joy."

Ira has a mature attitude towards life and work which belies her age. Diligence and patience, ingrained in her from childhood, do not only help her at work. Pictures which she has embroidered in cross stitch adorn her house. Now she is learning macramé and crocheting.

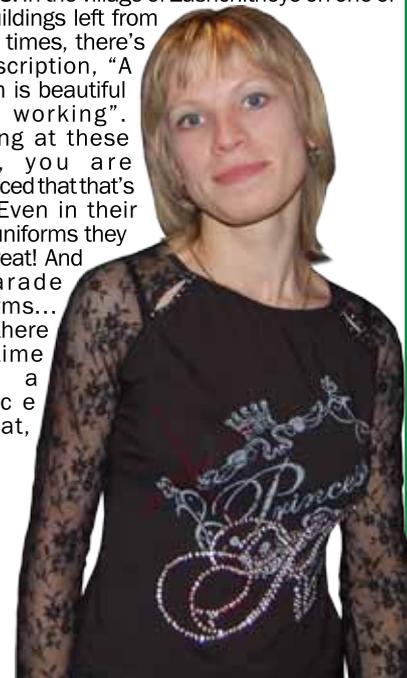
When telling about herself, Ira often uses the word "learn".

"I'm lucky that I work with high-class specialists and I have the chance to learn a lot from them," shares Irina. "I feel that we are one team and are working towards a common result."

Ira is planning to apply for graduate school this year. With such dedication, she will surely succeed in everything. After all, for her it's boring just to work, but to work in order to learn and learn in order to work is interesting!

P.S. In the village of Zashchitnoye on one of the buildings left from Soviet times, there's an inscription, "A person is beautiful when working".

Looking at these girls, you are convinced that that's true. Even in their work uniforms they look great! And in parade uniforms... well, there is a time and a place for that, too...



INVESTMENTS

European businessmen look more closely at Voronezh Oblast

On 12 April 2010, at the Association of European Businesses in Moscow, a presentation was held on the Voronezh Oblast as one of the most attractive candidates for foreign investments. Around 100 people took part in the event. They were mainly managers, general directors, and investment project managers from European companies working in Russia.

By Tatiana LYAPINA



In his opening speech, Governor Aleksey Gordeyev said that the entry of the Voronezh Oblast into the 30 economically and socially most developed constituents of the Russian Federation is a priority job of his team. He assumes that achievement of this goal will take five years, plus an active investment policy for attracting private capital, including foreign capital. Aleksandr Ganov, First Deputy Chairman of the Voronezh Oblast government, pointed out five factors that help attract foreign investors.

These are the favourable geographic position, skilled personnel, preferential treatment by the government, existing industrial facilities, and accrued expertise in implementation of joint projects. Aleksandr Gusev, head of the Department of Industry, Transport, Communications and Innovations, described the industrial potential of the Voronezh Oblast, whereas A.A.Spivakov, head of the Department of Agrarian Politics, talked about prospects for development of the farming sector.

Executives of major foreign enterprises and companies with mixed capital, such as Sergey Krylov, Vice President of Siemens in Russia, Stefan Duerr, President of the EkoNiva Group of Companies, and Andrey Makarenko, Executive Director of Bunge CIS, told how they are doing in the Voronezh region. They all noted that Voronezh, as the capital of Chernozemye, offers excellent opportunities for developing businesses, whereas the regional administration takes concrete measures to promote entrepreneurship and create a favourable investment climate.

"The facilities of our company are located in 16 regions of Russia," said Stefan Duerr, EkoNiva President. "However, the best working conditions for us are in the Voronezh Oblast. Thanks to the active support of Gordeyev's team, we overcame last year's difficulties and now stand firm.

We are hugely grateful to Aleksey Gordeyev for helping us to deal with the financial organisations during the banking crisis. That is why we are determined to continue investing and intensify our work in the Voronezh Oblast."

Rainer Hartmann, head of the Association of European Businesses (AEB), expressed confidence that Russia is becoming more and more important for European and other companies. Foreign entrepreneurs are increasingly interested in dealing with Russia now that its authorities at all levels are building honest partnership relations with private businesses based primarily on trust.

After the presentation, Oge Nilson, Managing Director and Chief Partner of the consulting company Vitus Bering Management Ltd, shared his impressions:

"I've talked with managing directors of the Russian affiliated companies from Germany, France, and Italy. They are all greatly impressed with the prospects that are opening up in Voronezh Oblast, whose administration clearly worded its commitments and pledged support for direct investors. We agreed that it was the best and the most successful presentation of the region ever held by the AEB."

PROFILE

The Association of European Businesses (AEB) was established in 1995. Today, this independent non-profit organisation unites around 600 companies of the European Union linked with Russia or directly operating in it. Cooperating closely with the European and Russian authorities, the 27 committees and working groups of the AEB are lobbying on a wide range of issues in various areas of business, such as power engineering, customs and transportation services, legislation, taxation and finance.



EKONIVA
ЭКОНИВА

Publisher and founder: 000 IA EkoNiva-Media

Registered office:

305004 Kursk, ul. Radishcheva, 79-a,

Editor-in-Chief: Ms. Svetlana Weber

Address of the editorial office:
305004 Kursk, ul. Radishcheva,
79-a,

tel. +7 (4712) 39 26 60

www.ekoniva.com,

e-mail: vesti@ekoniva.com

The journal is registered by the Federal Service for Supervision in the Sphere of Mass Media, Communications and Culture Heritage Security.

Registration Certificate for Mass Media

ПМ № 0С77-31049 of 25 January 2008

Distributed free of charge

Translated by the Kursk Translation Bureau
www.perevod.kursk.ru, e-mail: buro@046.ru

The journal was printed in OOO Mechta
Russia, Kursk, Souznaia 71,
tel. +7 (4712) 319292

Signed for publication _____

Circulation: 750 copies Order No. _____