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The National Project Works!

It took EkoNiva about a year to complete the construction of a new livestock breeding facility for 1,200 head of cattle in the Liskinsky District of Voronezh Region. On 1 September, the complex was commissioned in the presence of the RF State Duma deputies, regional and district authorities, visitors from Germany, EkoNiva partners and friends.

By Svetlana WEBER

EKONIVA OPENS A NEW LIVESTOCK BREEDING COMPLEX

At the opening ceremony, Voronezh Region Governor Vladimir Kulakov pointed out that such facilities came about as a result of the consistent government policy aimed at the support and development of the agricultural industry in Russia.

- 'It is really a good sign that our foreign partner works side by side with Russian agricultural producers and achieves high results,' remarked Vladimir Kulakov.

The Governor awarded President of the *EkoNiva* Group Stefan Duerr and *EkoNivaAgro* Regional Director Alexander Rybenko with certificates of merit for their personal contribution in the development of the regional agro-industrial complex and implementation of advanced methods of labour management.

In his return speech, Stefan Duerr remembered how he started to work in the newly-born Russian agricultural business. The heartrending sights of neglected farms and abandoned villages inspired him with a desire to help. Today the situation has changed dramatically. Says Stefan Duerr: 'The Russian agricultural sector is beginning to yield a return. Besides, the development of this sphere has a significant social impact: the growing agricultural industry provides new jobs; people are beginning to earn fair wages; the formerly depopulated villages come back to life.'

His opinion was shared by the State Duma deputy Alexander Sysoyev. Says Alexander Sysoyev: 'The National Project does not come down to the construction of livestock facilities. It is a serious programme, which stipulates for the development of the village at large, including the development of the village infrastructure, the development of sports and culture and also for the increase in salaries and wages of the rural population. *EkoNiva* employees enjoy all these improvements in full measure. They feel socially protected.'

To be continued on page 2

Anouncements

16-19 October 2007: AGRO-SIBIR. SELMASH-EXPO Exhibition
Location: Kemerovo

23-26 October 2007: Altaiskaya Niva Exhibition
Location: Barnaul

16-19 October 2007: AGROSIB. SIBERIAN FARMER 2007 Exhibition
Location: Novosibirsk

31 October - 2 November 2007: Harvest 2007 Exhibition
Location: BETA Exhibition Centre, Voronezh

2 November 2007: Opening of the repairing and exhibition complex of *EkoNiva-Chernozemye* Service Centre

10-17 November 2007: Agritechnika Exhibition
Location: Hannover, Germany

20 November 2007: Regional Conference on the Results of the Official Variety Test
Location: Kursk

29-30 November 2007: International Conference on the Protection of Selection Achievements
Location: Galitsino Training and Resource Centre, Moscow Region

8-9 December 2007: Annual Meeting of *EkoNiva* Agricultural Enterprises on the Results for 2007
Location: Galitsino Training and Resource Centre, Moscow Region

December 2007: Interregional Training Seminar on the Sale of 2007 Harvest Seeds
Location: Village of Zakharovo, Moscow Region

January 2008: Seminar for *EkoNiva* Agronomists on Certification and Dispatch of Seeds
Location: *EkoNivaAgro*, Voronezh Region

January 2007 Seminar for *EkoNiva* Customers on Preparation for the Spring Sowing
Location: *Zashchitnoye*, Kursk Region

The National Project Works!

EKONIVA OPENS A NEW LIVESTOCK BREEDING COMPLEX

Agricultural production

Currently, the livestock complex includes two cow-barns for 454 cows each, a milking parlour with the Westfalia Surge milking equipment, a maternity pen, individual calf pens and a silage storage facility for 25 thousand tons of fodder. Another cow-barn for 300 cows with an observation pen for problem animals, a mixed-feed storage facility, a slaughterhouse and a milk-feeding facility for the calves is still under construction. In future, the complex will include a training facility with a conference hall for workshops and training sessions.

The total cost of the project amounts to 374.4 million roubles. The construction is financed using the company's own funds and the funds borrowed from the local branch office of the RF Savings Bank.

From p.1

However, the *EkoNiva* Management is not going to rest on its laurels. The company has vast schemes for further development. Among other things is the reconstruction of livestock facilities for 1,400 head of cattle.

- 'This year, we expect Stefan to commission a dairy facility in Dobrino, and in 2008, two more special facilities in Pochepskoye and Vysokoye,' said the Head of Liskinsky District Administration Victor Shevtsov.

EkoNiva agricultural units in Kursk Region *(Zashchitnoye)* and Novosibirsk Region *(Sibirskaya Niva)* have also become National Project participants. *Kaluzhskaya Niva* in Kaluga Region has completed reconstruction of a livestock facility for 400 head of cattle. As a result, its milk herd has increased to 800 cows.

EkoNiva-Chernozemye used the occasion for a field demonstration of agricultural machinery. The event was attended by over 200 guests. They were shown 25 agricultural machines engaged in winter crops seeding, seedbed preparation, fodder conservation and livestock farm maintenance. The guests took genuine interest in JCB handlers. These multifunctional English machines are currently used for fodder dispensing, but they were successfully used in the construction works on the new complex. Needless to say, everybody admired the John Deere machinery, which was represented by the 6, 8 and the most powerful 9 Series tractors, a JD 7300 chopper, a JD 740 sprinkler and a JD 3415 loader. The farm managers had a chance to see the combine operator, as the local specialists put it, 'can relax and read a paper'. The speed of operations has increased manifold.

Gunter Beger, Head of Department at the Federal Ministry of Food Supply, Agriculture and Consumer Protection (Germany):

- We are proud that Stefan contributes to the development of the Russian agro-industrial sector and in this way promotes cooperation between our two countries. The Simmental cows from Bavaria, which have become residents at the new livestock-breeding complex, must rise to the occasion and maintain their reputation – the two countries lay high hopes on them.

The Head of Voronezh Region Chief Administration for Agricultural Policy Nikolay Kotolevsky appreciated the scale of the demonstration and the high technical level of the presented machinery. Says Nikolay Kotolevsky: 'Today, *EkoNiva-Chernozemye* showed us a wide range of agricultural machinery. It is very important that the company has been continuously using all these machines in the fields. Consequently, they have been thoroughly tested in operation and the specialists can give us sound advice on how to handle them'.

Tractors and combines are equipped with global (satellite) positioning systems, which ensure the performance of high-precision operations, including inter-row cultivation of plantings, even at night time. In the day time, the full cycle of field works. One of the fields was tilled, seeded and fertilized. On the other they could see corn harvesting. The John Deere machinery used by this farm-holding ensures the greatest precision of all operations, without exception.

Statistics

This season the overall grain yield in *EkoNiva* farm holdings amounted to 50 thousand tons

Visit

Overseas Experience Shared

with Russian Agricultural Producers

In the middle of August a second group of *EkoNiva* customers and partners visited the USA at the invitation of the John Deere Corporation. The itinerary of the visit had been drawn up in such a way as to give the visitors a chance to get acquainted with different directions of the agro-industrial production sphere and form a clear view of American agricultural industry.

By Svetlana WEBER

On the very first day, the visitors were taken to the JD manufacturing facilities in the town of Waterloo, which produce the 7, 8, and 9 Series tractors. Every 8.5 minutes a new JD tractor leaves its automated assembly conveyor, where only 10% of all operations are performed by hand.

Wheel mounting is completed in 12 seconds (against a full hour required for this operation earlier). The multistage system of quality control has done away with manufacturing defects. The "Golden Key" program enables the customer to watch the whole process of tractor assembly 'from scratch'. Once the tractor is ready, the customer will be the first to start it and drive it off the assembly conveyor.

The Russian agriculturalists enjoyed a visit to the Mitchell Farms in Iowa, which specializes in the production of corn and soybeans. One of its owners, Clay Mitchell has a university degree in Biomedical Engineering from Harvard University. Not surprisingly, his farm is equipped with the state-of-the-art machinery. The visitors had a chance to see the latest developments that are just making their first steps on the Russian market of agricultural machinery and technologies. Mitchell Farms employs precision cultivation systems (auto-track, GPS), which are incorporated into the farm computer system developed by Clay Mitchell. This approach permits supervising field work without leaving the office.

Says Clay: 'The computer-assisted monitoring of sprayers and seeders helps us to save up to 20% of the seeds and chemical agents.'

The RDO Company, John Deere's largest American dealer, had also prepared a large-scale visit program. Apart from the visit to the dealer centre, where the guests showed great interest in light 5-Series tractors, yard-care holders, and disk-type 1895 JD seeders, they were showed around dairy farms and plant-growing holdings. After walking around corn, beetroot, and potato plantations, the visitors examined the store-cellars and granaries. They were interested in storage equipment and organization of logistics. It is true that many of the things they saw during their visit are successfully implemented in Russia. However, all the visitors agreed that America has by far outstripped Russia in the supervision of the agricultural production processes and the organization of interaction between the farmers and the state.

Natalia Ershova, Chairman of Lenin Agricultural Production Cooperative:

"It was very interesting to see the routine work of American cattle breeders on dairy farms. Although our annual milk yield is higher (8,200 kg per cow) than on the dairy farms we have visited, I must admit that they are better organized. They need few caretakers and milkers because all work is mechanized. I wish we had it this way."

Alexander Ovcharov, Director of Yaroslavl Regional Department of Agriculture:

"I have long been dreaming of seeing how energy and soil saving technologies are implemented in America. Here I have seen a range of advanced machines for the performance of the minimum soil tillage and nobody uses ploughs anymore. Zero tillage has become a norm. We will have to persuade our farm managers to switch over to new modern technologies and advanced machinery."

Agricultural Forum

Secret of Effective Crop Farming

The Russian Field Day was held in the Rostov Region at the beginning of July. The exhibition received support on the part of Russian President Vladimir Putin, the Federal Government and regional governors. This fact underlines the strategic importance of the agricultural industry.

By Svetlana WEBER

Over 600 companies presented their expositions to the attention of the participants and the guests of this outstanding event. *EkoNiva*'s exposition offered solutions, which can increase the efficiency of crop farming. The emphasis was placed on resource and energy saving technologies.

A unique Rapid (Vaederstad) direct seed drill remains the unrivalled market leader.

'Nobody doubts Vaederstad's general concept or know-how,' – says *EkoNiva* Deputy Director Gennady Nepomnyashchy. 'Their direct seed drill ensures the performance of several operations at one go. It proved to be highly efficient in different soil and climatic conditions. It is reliable, economical and multifunctional'.

The Schulte mulcher presented by this Canadian company allows quick and cost-effective cultivation of fallow lands as it can easily cope even with birch growth and shrubs.

The range of new machines included a John Deere self-propelled 4895 windrower, a JCB telescopic handler, a John Deere 9660 STS combine and a TopDown machine for all stubble tillage.

At the Russian Field Day, *EkoNiva* presented an updated range of crops and crop varieties. Thus, the company has considerably expanded the range of fodder crops, which now includes high-protein barley varieties, annual and permanent grasses, legume grasses and herbage mixtures. This tendency reflects the development of livestock breeding within the framework of the National Project.

Another tendency, which became especially apparent this year, was an active introduction of rapeseed, especially of its winter varieties, into the crop rotation. Mass production of this crop became possible due to the appearance of new winter-resistant Lirajet, Libea and Livius rapeseed varieties and hybrids on the Russian seed market.

Says *EkoNivaAgro* Director General Yuri Vasyukov: 'This year, for the first time in its history, *EkoNiva* offers seeds grown in Zashchitnoye, Kursk Region, as an alternative to foreign rapeseed and forage seeding material. For this purpose, *EkoNivaAgro* provided its farming unit with a special line for the underworking of small-seed crops.

"New Kid on the Block"

Winter barley took up residence in Chernozemye.

And not only there

Winter barley has gained a footing in Chernozemye (the Russian Black Earth Belt), and other Russian regions. Under normal vegetation conditions it is the most productive of all grain crops, including winter wheat.

By Svetlana WEBER

This was exactly why numerous attempts were made to expand the boundaries of winter barley growing further to the north, namely to Rostov, Voronezh, Kursk, and Belgorod regions. However, all the attempts failed. This negative experience has lead to a widely spread opinion that winter barley does not grow to the north of the North Caucasus or, to be more precise, cannot survive the cold winter.

It was absolutely true. However, the situation has changed with the appearance of a new generation of winter barley varieties, which by far exceed their predecessors as to winter resistance properties.

The most promising winter barley variety is the German-bred Cinderella. It is as hardy as winter wheat and withstands frosts not only in the Central Chernozem Zone but also further to the north, for instance in Tula and Moscow regions.

The highest crops were harvested in 2007, when in different regions the yields varied from 6 (in the Kursk Region) to 9 (in the Tula Region) tons per hectare, even in usual production environments without intensive soil preparation.

Cinderella seeds are grown by *EkoNiva* farming units. The requirement for seeds for the forthcoming sowing season was so high that the seed farms could meet only about 10% of the demand. In this connection, the areas under seed crops in Voronezh and Kursk regions were considerably expanded.

Compliance with cultivation technology, and, more specifically, with the sowing time and seeding rate, is no less important for the achievement of good results than the genetic advantages of the latest varieties. All the farming units which received Cinderella seeds, were supplied with detailed guidelines on its cultivation. In this way, *EkoNiva* is resuming barley production in Central Russia at a new level, with new barley varieties and state-of-the-art technology.

From Personal Experience

In autumn, mouse colonies do much harm to winter wheat plantings.

Farmer's Autumn Concerns

After a long summer drought, which had affected crops, the lack of moisture could still be felt in autumn during the winter crop sowing. In some regions of Chernozemye, winter rapeseed was planted into the practically dry soil. Consequently, the seedlings appeared with a considerable delay and the plants, that have to weather a severe winter, may be weakened.

By Willie DREVS, Ph.D. in Agronomy

Timely autumn dressing of plants with nitrogenous fertilizers carried out in the proportion of 40 kg a.m. per hectare can improve the situation. Autumn dressing becomes a must if winter rapeseed was preceded by grain crops and the field is covered with trash.

One should not forget to take another necessary measure applicable to winter rapeseed, namely to apply folicur or a similar agent in the phase of 4-5 leaves. Being a fungicide, folicur helps to protect young plants from mycosis. Besides this it acts as a growth regulator and contributes to the development of the root system and reduces concentration of water in the leaves. In this way, it enhances the winter hardiness of the plants.

Now, I would like to say a few words about autumn tillage.

Autumn tillage is carried out for the following three key purposes:

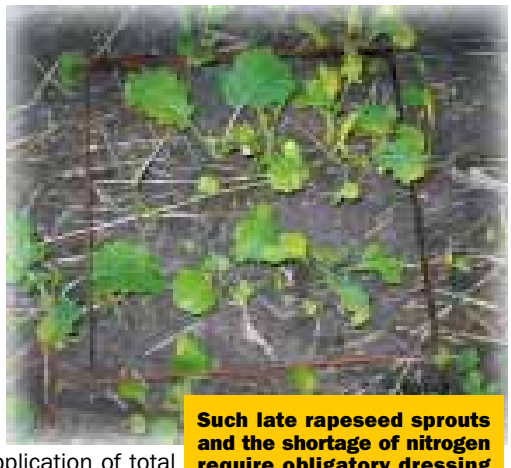
1. to provoke weed sprouting
– for further destruction of weeds (carried out with the help of additional tillage or by the application of total herbicides);
2. to mix trash with soil
– in order to provide its better contact with soil so that soil bacteria speed up its decomposition;
3. to restore the soil structure
– in order to prevent disturbance of root development and the destruction of the soil drainage properties.

Many Russian farm-holdings have switched over to boardless ploughing, which is time, fuel and money saving as compared to traditional techniques. The important thing is to select the appropriate tillage depth.

In the first place, tillage depth depends on the degree of the structural soil damage. If the soil structure is undamaged, surface tillage performed with disk or cultivator type tools will be quite sufficient. It will provoke weed sprouting and speed up decomposition of the straw. This type of tillage is cost-effective, and the tools used for surface tillage ensure a high performance. Thus, in *EkoNivaAgro* farm-holdings the Carrier disk harrow units with the coverage of 8.2 m and 12 m drawn by John Deere tractors till up to 150 and 200 hectares per day respectively.

If the soil structure is damaged, it is necessary to perform deep cultivation. The tillage depth depends on the depth of the structural damage.

Boardless tillage has numerous advantages. However, its introduction is connected with a number of peculiarities. First of all, ploughless tillage increases the concentration of problem weeds in the surface soil layer. Consequently, it is necessary to use more herbicides per one hectare of tilled soil. In this connection, the role of glyphosate-based total herbicides increases, and their use in the autumn period becomes a must.



Such late rapeseed sprouts and the shortage of nitrogen require obligatory dressing with ammonium nitrate.

Secondly, surface tillage performed for several subsequent years increases the mouse-like-rodent population. Ploughless tillage performed with the TopDown to the depth of 23-25 cm destroys mouse-holes and reduces the mouse population. Special attention should be paid to deratization of those fields planted with winter rapeseed because mice inflict more harm there than on the winter wheat fields.

Only a differentiated approach to autumn tillage, based on the degree and depth of the structural soil damage, its moisture content, mechanical makeup and the level of weed contamination, ensure cost reduction and a noticeable increase in the yield of the cultivated crops.

Since 1977 JCB Company (UK) has been dictating standards to other agricultural telescopic handler manufacturers. The machines from the latest range of the Loadall handlers, with side-mounted engine, also meet the highest quality requirements.

JCB Agri Loadall Telescopic Handlers

They have a simple and reliable design, wonderful performance capabilities and provide the highest degree of operator comfort attainable by machines of this type. Their engines, transmissions, axles, operator cabins, chassis, booms, and hydraulic cylinders were developed and manufactured by JCB. All these units have undergone rigorous testing and provide maximum output and service life.

The JCB Agri Loadall design ensures ease of operation and maximum payback. These machines have a spacious cabin with a low noise level, sufficient leg-space and a comfortable seat with a headrest and armrests.

The key factor, which provides the high operating capacity of the telescopic handler, is a high-capacity hydraulic system. JCB Agri handlers have either a multi-lever handling system allowing operation with one lever, or an LSP hydraulic system, whose three pumps provide uninterrupted fluid supply to the loops controlling the boom swinging and other boom control functions, as well as to the cooling system. A push button controls boom extension and retraction, and provides precise control of optional implements. In addition, a constant fluid supply option available for the optional implements enables the operator to concentrate on driving. The range of Loadall telescopic handlers is equipped with a unique automatic Autoselect steering control system, which permits instant selection between all-wheel steer, front-wheel steer and crab-steer modes by pressing a switch. As a result, there is no need to reset the wheels by hand.

To achieve optimum performance in severe operating conditions all JCB Agri Loadall handlers are fitted out with air-cooled radiators ensuring 24-hour non-stop operation. The reversible fan controlled from the operator cabin serves to provide operation in increased dust conditions. The drive-train design ensures easy regular cleaning and maintenance.

FEATURES AND ADVANTAGES

- ***The 100 hp and 125 hp JCB444 engines create high torque in the creeper gear, thus providing high performance.***
- ***Low fuel consumption reduces operating costs.***
- ***New JCB 4-gear and 6-gear transmissions provide optimum performance both on and off road.***
- ***The new 6-gear transmission (Agri Super) is fitted out with a torque lock-out mechanism, which provides optimum movement.***
- ***The gear switch permits gear reduction by simply pressing a button, thus providing maximum performance of the loading-unloading cycle.***
- ***A comfortable seat further increases the degree of operator comfort.***
- ***The new LSP hydraulic system (load sensitive pressure) increases accuracy of operation. The performance is maximized due to a new additional function of power fluid regulation.***
- ***The new 148-litre fuel tank increases output due to less frequent refuelling.***

Technical inspection

Nikolay Buravlev, *EkoNiva-Chernozemye* Director General:

- JCB telescopic handlers appeared in *EkoNivaAgro* farming units this summer. They are successfully used to perform construction works at the new livestock complex and carry out routine tasks on a dairy farm.

Some time ago, a group of *EkoNiva* specialists visited the JCB plant in England. They were impressed by the state-of-the-art assembly shops equipped with most advanced equipment, including heavy presses and laser-cutting tools and computerized quality control. JCB is a top brand. Naturally, JCB handlers are more expensive than similar machines produced by other manufacturers. However, the unrivalled quality and reliability make them worth the money.

A recent offer from John Deere!

9030 Series Tractor

New PowerTech Plus engines (Tier III environmental standard) with engine power ranging from 325 hp in the 9230(9 litre)model, to 530 hp in the 9630 (13.5 litre)model

20-35% increase in torque reserve

30% increase in fuel-tank capacity

5 pairs of independent hydraulic ports

New electro-hydraulic power take-off

New Category 5 drawbar

Improved control system similar to that of the 8030 Series

Increased air-tightness of the cabin

Improved braking performance

Presentation of the new tractor series will take place at Golden Autumn 2007

ЗОЛОТАЯ ОСЕНЬ

Russian-German Cooperation

A•P•O•L•L•O

Apollo Participants – Looking Beyond the Horizon

This year the APOLLO Association, which promotes cooperation between Eastern European countries in the sphere of agriculture, environment protection, and development of rural communities, celebrated its 15th anniversary. The Association was formed on the initiative of several German students, who had previously carried their work practice in the Soviet Union. Among them was Stefan Duerr, who became the programme organizer. The idea was supported by the German Federal Ministry of Food Supply, Agriculture and Consumer Protection. As of today, over 1,500 Russian students and young agricultural specialists have done practical training on German farms and enterprises under the exchange programme.

By Svetlana WEBER

12 Russian universities (in Stavropol, Belgorod, Kazan, Penza, Saratov, Saransk, Kursk, Bryansk, Smolensk, Velikiye Luki, Kaluga and Ufa) take part in the exchange programme. The students undergo a two-stage selection procedure.

Says the APOLLO exchange programme Director Judith Mering: 'The programme is open to anyone who would like to stand up to the challenge. The key criteria for the selection of the candidates are profound professional knowledge and personal motivation.'

Within the framework of this programme, students attend a language course, which gives them a great opportunity to improve their German language skills under the supervision of qualified native German speakers. The 60 best students go to Germany for a 4-month training course.

Training is provided at model German farms and enterprises, many of which have been participating in the programme for several years. The organizers try to cater to the trainees' interests: some students are more interested in plant growing; others want to try their hand at animal breeding or master advanced agricultural machinery. However, students have to acquire basic skills in all processes related to the production specific of their particular enterprise. Says Olga Oli, *EkoNiva-Tekhnika* Commercial Director, who was a trainee at the John Deere Plant in Manheim in 1993: 'It helps a lot in your future work. At the plant, I worked in the Exports Department, in the Accounting Department, in the Marketing, Logistics and Spare Parts services. This experience gave me a clear picture of the production process at large and proved to come in very handy later'. When Olga was a trainee in Germany, she could not even imagine that she would later work in *EkoNiva*, John Deere's dealer in Russia.

In addition to working at one particular location, the trainees visit other farms and enterprises and have workshops where they can exchange their experiences and newly acquired knowledge. At the end of the training period they write a research paper in German and take an exam.

'The examiners can't help marvelling at the volume of knowledge about the most advanced technologies and German agriculture at large that the students manage to acquire within this short period', says Judit Mering

The best trainees are awarded a grant, which enables them to study at a School of Agriculture and have further practical training in Germany. But the most precious things that the trainees take back to Russia are experience, knowledge, self-confidence and a great desire to raise the efficiency

of Russian agricultural industry.

Vladimir Plotnikov is Deputy Head of the RF State Duma Committee on Agriculture, Chairman of the Association of Russian Farmers and Agricultural Cooperatives, and Chairman of the Agrarian Party of Russia. In 1990, he was Chief Agronomist of Gusevsky State Farm in Volgograd Region. Vladimir was a trainee on the Brunemann Farm in Northern Rheine-Westphalia.

He says: 'During my training in Germany I gained priceless experience. It is of great help to me both as an agricultural specialist and a State Duma deputy, because I can use it when working on new laws. We make good use of the German experience and are grateful to our German friends for their willingness to share it with us.

'A training visit to Germany implied more than a mere exchange of knowledge and practical experience. Getting to know our German colleagues was even more important. We became friends and at our personal level contribute to the development of cooperation between our countries.'

Yelena Levina, EkoNiva-Tekhnika **Director.** In 1996 she was a student of Penza State Agricultural Academy. Yelena worked as a trainee on an eco-farm in Rheinland-Pfalz.

Says Yelena Levina: 'It was very interesting to get acquainted with environmentally friendly agricultural practices. We raised vegetables, did the weeding, picked potato bugs, herded cows, baked bread and sold farm-produce in a store. I passed the exams with distinction and was awarded a tour of Europe. When my visit drew to an end I was invited to work at APOLLO as a programme adviser. We worked on a German textbook for Russian trainees, interpreted during workshops and helped the trainees to solve their everyday problems.

'There are 15 former Apollo programme participants in our company. They all share a number of common features, such as a serious approach to everything they do, responsibility and a keen desire to get to the bottom of things. I know from my own experience that when you come home from Germany you feel you could "move mountains" and stand up to any challenge.'

Aleksey Bibikov, Director of Zashchitnoye **(Kursk Region).** In 1999 he was a postgraduate at Belgorod State Agricultural Academy. Aleksey worked as a trainee on a diversified farm in Meklenburg-Vorpommern.

Says Aleksey Bibikov: 'I have acquired practical skills in a wide range of agricultural works: seeding, foraging, and harvesting. I also fed and milked cows and even worked as a gardener. The most remarkable experience I got was tending to animals under the supervision of the local veterinary doctor. He proved to be a skilful teacher. A week spent at his surgery was worth a year spent at a university. At the end of the training period I was awarded a grant for a 10-week course of studies at the young farmers' school in Grainau.

'At that time, agriculture in Russia was not a priority. When doing training in Germany I realized that it is a highly promising and economically profitable sector, which needs close attention

We are opening a new column 'Regional Agro-Industrial Complex', where we are going to tell you about agricultural policy carried out by different constituent entities of the Russian Federation, describe positive experiences, discuss problems faced by the local farmers and suggest solution options. Today, *EkoNiva-News* presents two regions of Central Russia – Ryazan Region and Kaluga Region.

New Technologies and Ryazan Milk

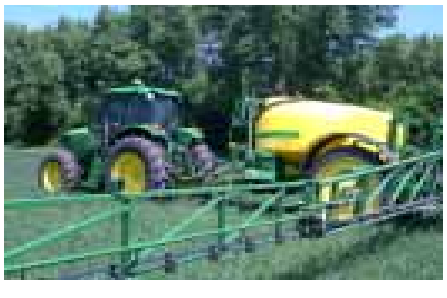
Ryazan Region ranks among the most stable and dynamically developing Russian territories. There has been visible improvement in all spheres. We have asked the regional Vice-Governor and the Vice-Chairman of the Regional Government, Yegor Mitin, about the situation in the regional agro-industrial complex.

- How would you describe the current situation in the regional agro-industrial complex?

- Our agricultural sector specializes mostly in meat and milk farming. In 2006, milk production reached 386.4 thousand tons. The average milk yield per cow amounted to 3,123 kg. Crop production is organized in such a way as to supply fodder and produce grain. This year we have gathered quite a good grain crop of 1,007,300 tons with an average yield of 2.76 t per hectare.

- Today, new agricultural technologies and innovations are all the talk. What is being done in your region in this sphere?

- We are implementing new potato cultivation techniques based on the European method. We also attach great importance to the introduction of new energy-saving grain production technologies, which imply the use of combined tilling units and direct seed drills. Besides, we extensively use new forage conservation techniques, which involve hay packaging. We are introducing new agricultural machinery with wide-coverage tilling and seeding equipment. The farms receive new beet cultivation machinery, including precision seeders, low-volume sprinklers, and advanced European harvesting units. We use high-quality foreign seeds. All these measures enable our farmers to gather good crops irrespective of the weather conditions.



- Do businesses make investments in the development of the regional agro-industrial sector?

- This year the largest Russian dairy company YuniMilk OJSC has made some steps aimed at the revival of Izhevsk Dairy Plant.

- What are the results of the Accelerated Livestock Farming Development Programme?

- We have already carried out a great amount of work under this programme and signed investment loan contracts with the banks for the construction and reconstruction of livestock production units. The total volume of the attracted funds invested in the 20 facilities amounts to 5 billion roubles. As of today, the outstanding disbursements amount to 1.5 billion roubles.

German Investors are to Build Agrotechnological Centre in Kaluga

A unique project, which has no analogues in Russia, has been launched in Kaluga Region. At the end of September, the Regional Administration, the German companies Grimme, Lemken, and Wolf System and the Russian-German company *EkoNiva* signed an investment agreement on the construction of the Regional Agrotechnological Centre

By Svetlana WEBER

As a matter of fact, *EkoNiva* has been working in Kaluga Region since 2006. It owns Kaluzhskaya Niva farm-holding, which specializes in the seed-breeding of European cultivated potato varieties.

The idea of the Agrotechnical Centre belongs to the *EkoNiva* President Stefan Duerr, who invited his partners to invest in the new large-scale project.

Under this project, 45 thousand hectares of land in Detchino, Maloyaroslavetsky District, will be converted into a huge technological park. The Grimme and Lemken companies are planning to construct facilities for the production of agricultural machinery and equipment; the Wolf System will launch the production of livestock housing facilities and panel structures for the construction of apartment blocks; *EkoNiva* will open an agricultural machinery service centre.

The investors have already been granted allotment certificates and in the middle of October will start work on the construction of the future facilities. The first construction stage is to be completed by next summer.

When signing the agreement, Anatoly Artamonov, Kaluga Region Governor, emphasized the importance of the event. He said: 'The significance of the project consists in the fact that it is a venture carried out by several businesses, which make joint efforts for mutually beneficial cooperation. By this action they have set a good example for other companies, showing how cooperation can help achieve better results than rivalry'.

The investors share his opinion.

Says Franz-Georg von Busse, the authorized representative of Lemken-Kaluga: 'I assure you that this centre will become an ideal base for the development of agriculture not only in the region but in Russia at large'.

Implementation of this project will be most beneficial for the local agricultural college. The Centre will provide perfect opportunities for the organization of the students' working practice, and improve the quality of training, bringing it in line with modern requirements. In addition, the first construction stage makes provisions for the creation of 100 jobs for college graduates on the Centre premises.

***EkoNiva-Tekhnika* Director Yelena Levina digs in the first peg on the EkoNiva allotment.**

Strategy

State Crop Testing:

New Approaches and Development Prospects

At the end of July Moscow State Crop Testing Station hosted a Field Day organized with the participation of *EkoNiva*. The participants discussed new approaches to state crop testing and the prospects of its development.

By Roman RATNIKOV

The Field Day had gathered representatives of the Gossortkomissia (State Variety Commission) Federal Government Facility (FGF), the RF Ministry of Agriculture, the Moscow Region Department of Agriculture, the Russian Academy of Agricultural Sciences, farm executives, and plant selection breeders.

The reports presented by V.V. Shmal, Gossortkomissia FGF Chairman, B.I. Sandukhadze, Academician of the Russian Academy of Agricultural Sciences, A.M. Medvedev, Corresponding Member of the Russian Academy of Agricultural Sciences, and other participants, emphasized the great importance of state crop testing, which has been carried out in Russia for 70 years. At the same time, the speakers touched on the problem issues of crop testing and stressed the need for pursuing its reform.

The participants were shown advanced agricultural machinery and equipment used at the crop testing station: several classes of John Deere tractors, reversible Kverneland ploughs, Carrier-650 cultivators, a Vaderstad Rapid-300C seeder and small plot Zuern (Germany) machinery.

Following this the participants went to the crop testing station fields, to see the sites used for field and industrial experiments on the study of the farming techniques and competitive variety trials of basic crops. Winter barley plantings received the most interest as it is the least studied crop in the Central Nechernozemye (Non-Black Earth Zone).

Summing up the results of the Field Day, the participants mentioned a high methodological and agrotechnical level of crop testing at the Moscow State Crop Testing Station. They pointed out that those achievements would be far less outstanding if not for the mutually beneficial cooperation with the *EkoNiva* Company.

Opinion

Yuri Vasyukov, Director General of *EkoNivaAgro*:

'EkoNiva was one of the first companies to suggest joining the efforts of the state, represented by Gossortkomissia FGF, and private agricultural producers in testing new crop varieties on the basis of the following principles: the state was to provide methodological supervision and control of the tests, while private agricultural producers were to ensure their high agrotechnical level.

This collaboration carried out at the Moscow State Crop Testing Station and Shchigrovsky State Crop Testing Site (Kursk Region) enabled the plant breeders to achieve a considerable increase in the crop capacity of all tested crop varieties. Consequently, they increased the efficiency of estimates carried out with regard to new crop varieties suggested for production.

Legal Department

Selection Achievements Under Protection

Part IV of the RF Civil Code comes into effect on 1 January 2008. The amendments concern experts in intellectual property protection in general and those of them who specialize in the legal protection of selection achievements in particular. However, this measure will not solve all the existing problems.

By Yevgeny KOLPINSKY

The introduction of Part IV into the Civil Code will mean a considerable updating of the seed-breeding legal framework. Many concepts will be revised. Thus, according to Clause 3, Article 1421, the use of a selection achievement covers its production and reproduction, bringing it to the sowing conditions appropriate for propagation, offering it for sale, selling it or otherwise introducing it into civil circulation, importing it into the Russian Federation, exporting it from the country and storing it for the above purposes.

Article 1446 defines the 'infringement of the rights of the author or another patent owner in respect of the selection achievement' as a violation of the requirements specified in Clause 3 Article 1421; giving the seeds a name different from the registered one; or giving them a name identical or similar to the name of an existing variety.

Some new provisions introduced into the Civil Code have already raised criticism, particularly the granting of permission to use seed material received on a seed-farm for private purposes for a two-year period.

On the whole, the amended Civil Code introduces order into the legal framework of seed-breeding protection. However it needs further improvement. It is especially true with regard to the Law on Seed-Breeding.

Opinion

Bagrat Sandukhadze, a plant-breeder from the Agricultural Research Institute of Central Nechernozem Regions, Academician of the Russian Academy of Agricultural Sciences:

'Once we improve the system of intellectual property rights protection in the sphere of selection and seed-breeding, plant-breeders will no longer be compelled to beg.

Photo exhibition

Focus on John Deere

EkoNiva and John Deere companies continue the ***Focus on John Deere*** Photo Contest.

The contest finishes in December 2007 and has the following nominations:

- Sowing with John Deere
- Harvesting with John Deere
- I work for John Deere
- John Deere: unusual angle

Please, send your pictures marked with "For the Focus on John Deere Photo Contest" to the following address:

OOO EkoNiva-Tekhnika, d. Zakharovo, Odintsovsky Rayon, Moscow Region 143022, Russia, or via e-mail to: vesti@ekoniva.com.

Best photos will be published in ***EkoNiva-News*** journal and rewarded with cash bonuses and valuable prizes.

John Deere: unusual angle

Super-cab for super calves. The "Great Migration" of calves to EkoNivaAgro

"The armour is strong and our tanks are fast!"

Harvesting with John Deere

Barley harvest in Zashchitnoye

I work for John Deere

Ready to work in the EkoNiva fields during the seeding campaign!
Guenter Beger, from the Federal Ministry of Food Supply, Agriculture and Consumer Protection (Germany)

Enjoying summer in Siberia. President of EkoNiva, Stefan Duerr, and Head of John Deere's Russia Branch, Sid Bardwell, are paying a visit to Sibirskaya Niva.

Regional news

The John Deere track tractor was the obvious favourite at the Field Day held by *EkoNivaSibir* at its *Sibirskaya Niva* experimental farm in Maslyaninsky District of Novosibirsk Region. Tracked tractors are particularly in short supply on the Russian market and the tractor presented by the John Deere Company is so far the only one in Russia.

Powerful machinery for challenging conditions

On the first day, the event attracted over a hundred agricultural specialists and farm managers from different Siberian regions, and the total number of participants amounted to about five hundred.

"Our aim is to get Siberian grain farmers acquainted with a variety of new agricultural machines, which are quite rare in our region but have gained an excellent international reputation for being reliable and economical," said *EkoNivaSibir* Director General Yevgeny Gorbunov.

Agricultural machinery was exhibited on two sites. On the first site, the participants could see the line of tilling machines, planters and seeders and combine harvesters. The other site housed a wide range of hay and forage equipment, including balers, a chopper, multipurpose crop trailers, mowers, rakes, tedders and mixer-feeders.

Rapid and Seed Hawk seeders, the Optima precision seeder, TopDown, Smaragd, Rubin and Carrier cultivators attracted the most attention. The participants were also impressed with the performance of the wide-coverage Schulte FX5026 mulch tiller, which can easily cope with corn stubble and young tree-growth. The fascinated spectators watched it weed a field that had remained uncultivated for two years.

The innovative hay and forage equipment presented at the exposition will raise cattle-breeding to new levels of productivity and efficiency through the provision of quality fodder and cost reduction. Thus, the use of the Fandekx tedder considerably reduces the haymaking period and improves the quality of hay.

This year, special priority will be given to grain cleaning, drying, and storage. That is why the participants were given a chance to meet a representative of the Riela Company, a major manufacturer of grain drying and storage installations and equipment .

The proficiency and dependability of the *EkoNivaSibir* specialists were also highly praised by the representatives of Lemken and Vaderstad plants, who had come specifically to take part in the Field Day.

Says Mr. Funker, Head of Funker Collective Farming Enterprise from Altay Territory:

"The yield of one John Deere combine chopper per season amounted to 3,600 tons of herbage against 1,115 tons produced by each of our own three choppers. JD cuts the stems practically to millimetre-size shreds leaving no waste. Moreover, the machine proved to be very reliable and did not break down throughout the harvest!"

Agroresource - 2007: People, Machines, Technologies

The participants of the Agroresource–2007 workshop, which was held on 8 September at *Agrofirma Sredneivkino* facilities in Kirov Region, were greeted with the vigorous sounds of a brass band. The organizers – *EkoNiva–Vyatka*, *Agrofirma Sredneivkino* and Nolinsk Agricultural and Mechanical College – had sent out invitations to the representatives of the Kirov Regional Department of Agriculture and Food Supply, farm managers, agricultural specialists and scientists. The guests arrived not only from Kirov Region but also from Perm Krai, Udmurtia, Chuvashia, and Mari El.

By Mikhail KOPTEV

Sergey Zykov, EkoNiva-Vyatka Director General, has formulated the principal goal of the workshop as follows:

'We want to show that in agriculture, apart from advanced machinery, the development resource includes advanced technologies and, of course, people.'

Stefan Duerr, President of the *EkoNiva Group*, spoke about changing attitudes to agriculture. Says Stefan Duerr: 'In the last 5 years agriculture has changed dramatically all over the globe and the more so in Russia. Agricultural industry is no longer looked upon as a 'black hole'. Investors regard it as a profitable business. Purchase prices for grain and milk are growing and this fact serves as an additional incentive for the farmers.'

In the fields of Agrofirma *Sredneivkino*, the participants and the guests of Agroresource-2007 were shown the most advanced agricultural machinery in operation. Although the majority of the participants had already seen some of the presented machines before, they couldn't help admiring their power and beauty.

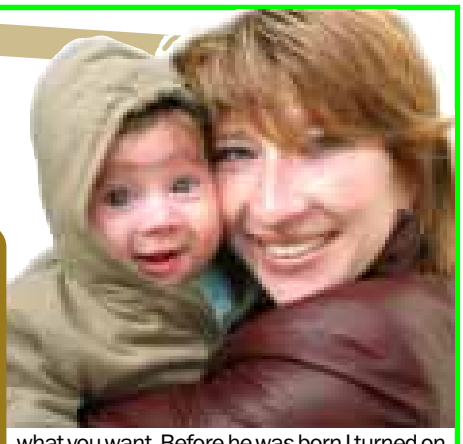
The Chief Agronomist of Kirov Swamp and Meadow Experimental Station, Svetlana Oparina, presented a report on the results of the implementation of new technologies for plant growing: 'Vaderstad machinery showed very good results on cutover bogs and mineral soils. In fact, due to this machinery we achieved an increase in grain yield.' She was supported by Irina Cheremiskina, Chief Agronomist of *ABSOLUTE-AGRO* Karinka Farming Unit from Kirovo-Chepetsky District: 'As compared to the yield received with the old techniques, the increase amounted to 900 kg per hectare'.

As a part of the workshop an innovative centre was presented. At the opening ceremony, Nolinsk Agricultural and Mechanical College Director V. Vakhrushev defined its tasks:

"The Innovative centre is a kind of a 'triple alliance' formed by our college, *Agrofirma Sredneivkino*, and *EkoNiva-Vyatka*. The Centre will be based in Sredneivkino since it has a full range of advanced machinery. We are planning to open a training facility fitted out with the state-of-the-art electronic training equipment. *EkoNiva-Vyatka* will use it to hold classes in new technologies."

Our people

Tatiana Burkhovetskaya: 'We are a team'



It's impossible to talk to Tatiana for more than three minutes without being cut short either by her mobile or her office phone and there is nothing you can do about it – it's the usual day of a business woman...

By Yulia SALKOVA

EN-News Dossier

Tatiana Burkhovetskaya is EkoNivaAgro Financial Director. She successfully defended a candidate's dissertation on the subject: 'Formation of an Efficient Owner in Production Agricultural Cooperatives'.

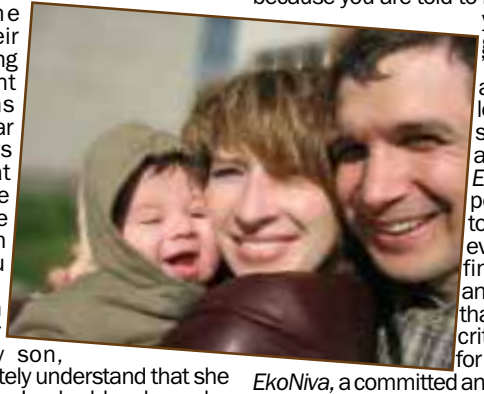
She has been employed by *EkoNiva* since 2002

In 2002, Tatiana Burkhovetskaya, a young Candidate of Science*, began to work as an accountant at a newly-formed *EkoNiva-Chernozemye* Company. The company was just taking its first steps and could scarcely find money for office paper to say nothing of a Consultant Plus System or an annual subscription to the Chief Accountant Journal. It was a challenging start to a career but Tatiana was young, ambitious, persevering, and practical-minded and she stood up to the challenge. So when *EkoNivaAgro* started to look for a financial director, Tatiana was the only candidate.

This year *EkoNivaAgro* celebrated its fifth anniversary. At the corporate function Tatiana was declared winner in the "Nothing is Impossible" nominated for her brilliant skill of talking bankers into giving her loans. And indeed, she is an unrivalled negotiator. Her colleagues say that it will take her three days to accomplish tasks, which will normally need at least a month.

As for Tatiana, here's what she thinks about her work:

- 'My work is all about achieving high results. But it is also essential to preserve your essential self, not to become self-important and not to loose touch with reality. We are a team and everyone does their bit. Making important strategic decisions when the situation is far from clear always involves great responsibility. On the other hand, when the decision you have taken proves to be correct you feel elated.'



When you watch Tatiana tending her 17-month old baby son, Ilyushka, you immediately understand that she is a wonderful mother. I asked her how she managed to combine work and family. Says Tatiana: 'I can't boast that I always cope or that my son never gives me trouble. Ilyushka is quite mischievous and it isn't easy to make him do what you want. Before he was born I turned on my computer as soon as I came home. Now, if I am at work I mean to work, and my family try not to distract me with their calls, knowing only too well that being impulsive I can sometimes lose my temper. But when I go home I leave all my work-related problems at work. I have very little free time and I spend it exclusively with my family'.

In *EkoNiva* people are judged by their attitude to work. If you work late hours not because you are told to but because you feel you must, if you fully give yourself to work '10 days a week', if you are ready to go on a long business trip on short notice, then you are the right person for *EkoNiva!* Tatiana perfectly fits into this tough schedule, which even some men would find very demanding and it is not surprising that she uses the same criterion when looking for her staff. Working in *EkoNiva*, a committed and determined person like Tatiana, who always accomplishes her tasks, is undoubtedly in her natural element.

*Candidate of Science roughly corresponds to Ph. D

Young but not necessarily incompetent

The Secret of *EkoNiva* Group Success

Unlike many companies, in **EkoNiva** the hiring procedure does not depend on the applicants' age or experience. The key factor is their commitment to the job.

By Yulia SALKOVA

Currently, *EkoNiva* employs 2,000 specialists. 70% of them are young people under 35 and many of them hold managerial positions. Thus, Denis Kondratiev, *EkoNivaSibir* Technical Director is approaching 27; Mikhail Molchanov, Head of the *AgroTsentrKursk* Maintenance Service is 29 and Gennady Nepomnyashchy, *EkoNiva-Tekhnika* Deputy Director is 30.

The situation is very much the same in the company's farming units. *EkoNivaAgro* livestock complex is successfully run by Yekaterina Karpova, who is only 23! Roman Litvinov, *EkoNivaAgro* Chief Agronomist, is 27. *Zashchitnoye* (Kursk Region) Director Aleksey Bibikov is 33 and its Chief Agronomist Yuri Korochenkov is 28. *Severnaya Niva* (Orenburg Region) is run by Sergey Ovcharenko, 29.

They say that young people in Russia have poor job prospects. However, *EkoNiva* Group disproves this common opinion. Youth and experience are equally appreciated. High aspirations and ideas, so typical of young people, are not 'nipped in the bud' as is so often the case elsewhere.

Extracts from an interview with *EkoNiva* Group President Stefan Duerr

for the periodical *Nachrichten des Verbandes der deutschen Wirtschaft in der Russischen Foderation*

- What does Ekoniva actually do?

- We have three main lines of business: the biggest is dealing in farm machinery. This year we expect sales revenues of 120 million euro. The second is our own agriculture. We farm about 65,000 hectares of land. The third is the seed trade.

- Which line is doing best?

- At present the trade in farm machinery is doing best. Money can be earned faster in trade. But in the long term farming is more lucrative – you just have to invest much more time and work in it than in trade.

- What forms does agriculture take in today's Russia?

- Five to ten percent of the former collective and state farms managed to survive the rigours of the 1990s. That was an extremely difficult period for agriculture. Only the most resilient enterprises managed to survive, and these are now the really good ones. Quite a few of them have in the meantime taken over two or three of their neighbours and now farm areas of about 20,000 hectares.

Then there are investors who combine several enterprises into big agroholdings. These agroholdings cover huge areas of up to 500,000 hectares. There are purely financial investors, but also investors from the processing industry, such as sugar producers, oil mills, flour mills, and dairies. There are investors at regional level, such as construction companies that also want to engage in agriculture. This large group of investors accounts for about 50 percent. The rest are farms that muddle along somehow in the same old way, but will soon be snapped up by one of the holdings.

- What advice would you give to someone wanting to start a farm in Russia today?

- He would need to bring a lot of warm clothes and plenty of patience. But the opportunities are enormous. I can only urge anyone who has the patience and is not discouraged by setbacks to come here. But you have to start on a large scale straight away. A farm of 200 hectares won't work here. In Germany a farmer can concentrate on his farm, leaving all the organizational work, such as bookkeeping, banking, marketing, and purchasing to others. In the morning, for example, the dairy truck stops by and collects the milk, and the dairy to which the farmer sells it is known in advance. Everything runs of its own accord, without the farmer having to see to it specially. Here in Russia there is much more organizational work to be done: what you purchase and where, what you sell and to whom, and the whole carry-on this entails – book–keeping, finance, taxes. This is too much for one person to cope with, even for a smaller farm of 200 hectares. The result is you need staff. But when you employ people here, that's when the problems really start. So if you want to start a farm you should do it on a large enough scale to be worth your while. In my opinion farming in Russia with less than 5,000 hectares makes no sense.

- What are the possibilities of financing?

- You must have a certain amount of equity. But in general the banks here are more willing to finance agriculture than in Germany. The interest rates are about 12 or 14%. The government has launched a National Agriculture Project with an interest-subsidizing programme, under which the state returns to you 7 or 10% of the interest, depending on the circumstances. This leaves only 2 or 5% interest that has to be paid in real terms, which is pretty decent. I consider this to be a very good programme.

- Are there particularly promising branches of agriculture at present in which one ought to invest?

- Both in agriculture and in the processing business the opportunities are enormous. But whatever is particularly profitable is also subject to uncertainty. At present milk is worth its weight in gold. But that can change overnight. Agriculture must always stand on many different pillars. It is either too wet or too dry, too hot or too cold. For one crop the rain comes too late, for another just at the right time. So you can't put all your money on one thing.

- How do you rate the results of the National Agriculture Project?

- The results are very good in my opinion. The National Project has liberated agriculture from its image as a black hole for cash, giving it a new status and making it into a respectable sector of the economy. The standard has risen, and many new technologies have found their way to agriculture.

Without the National Project stockbreeding would undoubtedly have gone down the drain. Stockbreeding is the slowest branch of farming to yield a dividend – because of the high initial investments, the long lead time, and the slow turnaround time. If you set up a stock farm it will be eight years before it pays off. If you have to pay interest of 12 or 14% for that length of time, you might as well close up shop.

- What is the most difficult thing in agriculture as far as you are concerned?

It is extremely hard to find good, motivated workers who are prepared to accept new technologies and processes. Good young people who have studied agriculture generally do not go back to the farm. Usually they go and work in a quite different sector or, if they stay in agriculture, they go to farm machinery dealers, pesticide manufacturers, or seed merchants. It is very difficult to attract them back to the land. We have four Germans in various enterprises and I would take on five more like a shot. Meantime we have got a good, young Russian team together. But they really are hand-picked people.

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