

FORUM

Selection and seed growing industry in Russia:



On 19–20 June an international conference was held on the "Improvement of Legal Basis for the Seed Growing Industry and Intellectual Property Protection in the Field of Agricultural Selective Breeding of Plants"

By Svetlana WEBER

In the 20th century the selection and seed growing industry of Russia was one of the most advanced in the world. The achievements of Soviet selective breeding facilitated considerable growth in the grain harvest (first of all of winter wheat) in the countries of Eastern Europe.

However, in the 1990s the selective breeding and seed growing industry experienced a severe crisis, selective breeding of a number of crops was practically stopped, and the new Russian market became flooded with seeds of unknown origin and quality.

Entry into force of a Law on Seed Growing in 1997 and the development of this law led to a seed certification scheme (2001) which greatly helped to bring things into order on the seeds market in Russia, and bringing it into a civilized state.

Although these legislative measures improved the situation on the seeds market, they did not facilitate the investment inflow and revival of the national selective breeding industry. Above all, this was linked to the fact that despite the presence of the Law on Selective Breeding Achievements, strains as the objects of intellectual property were actually not protected. Correspondently, there were no business investments into selective breeding.

Today the State represented by the Federal Veterinary and Phytosanitary Monitoring Service has somewhat improved the situation, but the fact is that potential investors (both Russian or foreign) are still apprehensive about investing into the Russian selective breeding industry, even though the interest in it is great. One of the main impediments to investments into selective breeding and seed growing industry is the imperfection of the legal framework, insufficient

what is ahead?

protection of intellectual property, the object of which is an agricultural plant strain.

The conference which had taken place was devoted to the issues of improvement of legislation in the sphere of the protection of selective breeding achievements and improving the seed and strain market in Russia.

The conference was attended by leaders in the plant industry, the State Duma deputies, leaders of Russian Agricultural Sciences, domestic and foreign plant selection breeders, representatives of seed-production and commercial companies, heads of plant selection breeders and seed growers unions of Russia and Germany.

During the conference an analysis was presented of the current state of the industry and prospects of its future development, the situation with the protection of strains was reviewed. German colleagues described the way these issues are solved in the European Union and on in the world selective breeding and seed growing market.

Discussed were the drafts of amendments and supplements to the Law on Seed Growing that are being prepared, and other legislative acts focused on regulation of relationships in this sphere. Representatives of all sectors of this industry - legislators, industry leaders at the federal and regional levels, regulatory bodies, plant selection breeders, seed growers and commercial firms took part in the discussions.

The participants of the conference unanimously recognized the need to improve the legislative framework, to bring it into line with current market requirements, to create the favourable environment for investments into selective breeding industry of Russia.

The participants of the conference approved a final document – an appeal to legislators and crop management industry leaders. This document summarized the wishes of all branches in the strains and seeds market to legislators and contained specific proposals to improve legislation.

ANNOUNCEMENTS

33-7 July. The All-Russia Field Day

Venue: Belgorod Region, Borisovka Village

Organizers: Agroindustrial Complex All-Russia Exhibition Centre

8 July. Laying the first stone for construction of a John Deere Production Centre

Venue: Kaluga Region
Organizers: John Deere, Administration of Kaluga Region

17 July. Field Day in the Smolensk Region

Venue: Smolensk Region
Organizers: AKP Department of Smolensk Region

July. Field Day in the Tula Region

Venue: Tula Region
Organizers: EkoNiva Company

6-8 August. Field Day in the Novosibirsk Region

Venue: Novosibirsk Region, Maslyaninsky District, Paivino Village
Organizers: EkoNiva-Sibir LLC

August. The Field Day of minimum and subsurface tillage

Venue: Voronezh Region, Liskinsky District, Zaluzhnoye Village

Organizers: EkoNiva-Chernozemye LLC

August. Opening of grain storage and processing complex

Venue: Voronezh Region, Liskinsky District, Shchuchye Village, EkoNivaAgro LLC

Organizers: EkoNiva Company

September. Opening of grain storage and processing complex

Venue: Novosibirsk Region, Maslyaninsky District, Paivino Village

Organizers: EkoNiva Company

16-19 September. Altaiskaya Niva Exhibition

Venue: Barnaul, Altaiskaya Yarmarka Exhibition Hall

Organizers: EkoNiva-Sibir LLC with the assistance of the IFW-expo Company, Germany

OPENING

The famous Tula gingerbread with a picture of tractor became a kind of symbol of changes which took place on this land. In Bogoroditsk town of Tula Region, the EkoNiva Company opened its newest and the biggest service centre for maintenance of agricultural equipment.

By Svetlana WEBER

To the feast devoted to this occasion came the heads of agricultural enterprises of Tula, Moscow, Tambov, Ryazan, and Kaluga regions, representatives of Rosselkhozbank, Sberbank, as well as partners of EkoNiva from the John Deere Corporation.

Alexander Tkachenko, Deputy Governor of the Tula Region, present at the opening, noted:

"Three years ago our governor accepted the program of technical modernization of agricultural manufacturers of the region. This program really does work. The number of new tractors and harvesters in the region has increased several times. Thanks in large part to EkoNiva, agrarians receive great support."

Now this support will be even better. The new service centre is ready for the most complicated work connected with the maintenance of agricultural equipment. Just in 10 months on the territory of 2.3 hectares, a building with the total area of 2,660 square meters has been built, where four repair zones are located, fully equipped with all the necessary tools needed for diagnostics, repairs and monitoring of agricultural machines. A cathead has been installed for unloading and repairs of heavy machines. Also a repair parts and consumable materials depot, where a system of address storage has been installed, which considerably reduces the time needed for providing service to customers, is also located here. In the comfortable office premises there is a conference hall for training. The depot for storage of fuels and lubricants is located in a

separate building.

In the showroom area located at the front of the centre over 70 modern agricultural machines can be found built by leading global manufacturers, which aroused great interest in the guests of the Service Centre. Viewing the exposition and learning about new innovations ran for several hours. Agrarians were selected the necessary equipment for themselves, asked questions, took an interest. The Head of the Pobeditel Agricultural Production Cooperative Petr Polyntsev said that had he already purchased seeding machinery from EkoNiva and was very pleased with it.



Tula greets its guests with gingerbread and great service



"We managed to considerably reduce our work times and save a decent amount of fuel," says the head of the farm business.

This year the farm business plans to purchase one more John Deere tractor. Another guest in the party – the Sales and Marketing Vice President of John Deere in Central Europe, CIS countries, Africa and Far East Stefan von Stegmann, who came from Switzerland, stressed the importance of the event which had taken place and expressed confidence that EkoNiva would keep extending its influence and facilitate the efficiency of the agrarian sector of Russia.

According to President of EkoNiva Company Stefan Duerr, earlier the main task of enterprises was to try and sell as much equipment as possible. Today it is important to make arrangements for the continuous operation and quality maintenance of the supplied equipment.

"The development of a service centre network is one of the most important activities of EkoNiva," says Stefan Duerr. "We strive to make our service highly professional and operational. This makes us competitive on the market and attractive for clients."

EkoNiva plans to create a developed service base in the regions in order to become the leader in the field of service maintenance and repair part supplies.

VISIT

Strategic partnership

Business trip of the RF State Duma's agricultural committee delegates to Germany took place immediately after President Dmitry Medvedev's official visit to this country. During the visit it was announced that Germany is considered to be an "absolute strategic partner" for Russia with high levels of trade-economic and political cooperation.

By Svetlana WEBER



development of an agricultural and credit cooperation system, seed farming, selective breeders' rights protection, state support of the

agro-industrial complex were discussed.

At the meeting with the German parliamentarians – delegates of the Food, Agriculture and Consumer Protection Committee of the German Bundestag an agreement was reached for holding a mutual session of State Duma and Bundestag Agricultural Committees which is to be held the next year. The agricultural policy news of the both countries was discussed. The question regarding manufacturing the bio-fuels made from the raw plant materials which could be used in food production has caused a sharp debate.

The business program of the visit was closed with round-table conversations with German businessmen during which the questions of German-Russian partnership in the sphere of agricultural engineering, seed farming, plant protection methods and breeding stock delivery were discussed.

EVENTS

“My grandfather ploughed the land,” said Turgenev’s Bazarov. And in spite of his nihilistic attitude towards life, was very proud of that fact. Nowadays those who plough the land are still deeply respected. But the contemporary ploughers have the uncontested advantage over their ancestors – they have great equipment. That’s exactly the kind of equipment the guests of Kverneland Field Day, which was held on 29 May in the Liskinsky District of Voronezh Region, were able to view.

By Oxana PROTONINA

The Kverneland Field Day was held on the Russian land for the fourth time. As the President and CEO of the Kverneland Group CIS Mats Tykesson noted, the concern carries out this activity each year in association with one of its dealers. This year it was with the EkoNiva Company. One of the farm businesses of the holding, EkoNiva-Agro, became the demonstration ground with technical support of EkoNiva-Chernozemye.

The history of “relationship” of EkoNiva and Kverneland goes back ten years now. As the President of EkoNiva Stefan Duerr said, the company made its first steps into business activities with Kverneland equipment.

And thus the parade of agricultural equipment was inspected by Mats Tykesson and Stefan Duerr together. The whole range of equipment, offered by Kverneland concern for soil cultivation, sowing, spraying, fertilization and fodder conservation, was demonstrated to the guests. Kverneland product managers Vyacheslav Soldatov and Peter Penner emceed the event. The unique ploughs and cultivators furrowed the Voronezh land. Especially pleasant was the



fact that the equipment, produced at the Lipetsk plant of the concern, was presented among the novelties. The plant started to work at the end of last year, and the Airseeder seeding machines and Cultibar cultivators, capacities of which were demonstrated at the event, are produced here. By the way, those two agricultural machines represent a sowing combination. Great seizure width (up to 18 m), precision of sowing, possibility of simultaneous fertilization. Moreover, this cultivator easily “neighbours” with any tractors of both Western and Russian production. The guests – and of these there were more than 300 heads and specialists from agricultural enterprises – were excited by the various ploughs, able to easily to work on all types of soil. Powerful, but a well handled construction of a “three-in-one” plough seems to be awkward and hard to handle only at first sight. The

If only we had a day, we would plough the field...

THE KVERNELAND FIELD DAY WAS HELD IN VORONEZH REGION.



Head of Main Department of Agricultural Policy in Voronezh Region Nikolay Kotolevsky:

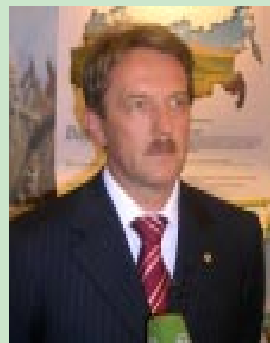
“Today we took part in a unique event, which gives the heads of agricultural businesses the opportunity to choose advanced equipment, which will make the work of agrarians even more efficient. In this sense the EkoNiva Company can be a positive example. Agricultural enterprises of the company carry out plant cultivation using current technologies and, as a consequence, with high levels of profitability. But the trump card is cattle breeding. EkoNiva-Agro can boast of a great animal production unit, equipped with all advanced equipment.

plough is equipped with a flawless controlling system, can adapt to any soil conditions and any tractors. It is a multipurpose machine for profitable production. Of course, such an abundance of equipment, and most importantly its capability, simply amazed all those present. Also catching the imagination was the world ploughing champion Ulrick Olson, who was specially invited to the Field Day and showed how true champions work the land.



Unfortunately Russia has never taken part in such a championship. Probably in 2010 a representative from our country will go to New Zealand to the main ploughing contest. According to Stefan Duerr, this issue has already been discussed in the Ministry of Agriculture.

BRIEFLY



The state agriculture development program has good dynamics, considers the head of the Ministry of Agriculture Alexey Gordeyev. In the first quarter the index of production of farm products stood at 104.5 percent. According to the Minister, there are great tempos in meat production – increasing at 9 percent. It is a bit harder with milk; the increase in production was just 2 percent. “Taking into account that for only two years we have been growing within the framework of the national project, so these are quite good dynamics,” commented the Head of the Ministry of Agriculture.



In May the State Duma passed a Law on subsidies in the Agro-Industrial Complex and on insurance contracts. According to the Chairman of the Committee on Agrarian Issues Valentin Denisov the law establishes that the agricultural producers are given subsidies from the funds of the state treasury at the rate of not less than 50 percent of their insurance premiums. Subsidization by both regional and federal treasuries is being planned.

TOPIC

In 2007 some regions were to a great extent affected by viral diseases. If a greenfly comes to an infected plant, in process of sucking juice it co-opts the virus (for example, the Y-virus) and transmits it to other plants. Therefore, at present there are sources of viral diseases and viral vectors, which can cause new infections of potatoes in 2008.

Thomas BOTTNER, Europlant pflanzenzucht

Cultivation

of seed potatoes:



It is strongly recommended to reduce the risk of spread of viral diseases by means of timely removal of the infected plants, and with that preventing the infection of greenflies attacking the potato. The potato farms should perform negative selection and remove the infected plants as early as possible. If there is a slightest delay – then precious time is lost, as the infected bushes are the source of contagion among other plants, which results in significant loss of quality and crop capacity of potatoes (especially in case of contamination with mixed infections).

High humidity and rains advance the process of the spread of shrubs which to great extent complicates finding viral the diseases, as the healthy plants extend into each other and often totally cover the contaminated ones. The main task of potato enterprises is still the timely detection and careful

ISOLATION OF INFECTED PLANTS



removal of ALL the infected plants. At many enterprises there is a lack of specialists. Experienced technicians/seed growers retire, and finding new qualified personnel (which should first receive specialized training) for performing negative selection is not easy, as in order to recognize the signs of infection on the affected plants one needs to have a good eye, and this comes only after long experience.

For a hundred years now it is

been stressed in books on specialized subjects, that multiple careful cleaning of seeds along with healthy seed materials) is the guarantee for successful potato cultivation:

- One should start as early as possible, i.e. from the time when it is already possible to identify the infected plant – approximately in two – the latest – in three weeks after the emergence of seedlings.

- Perform cleaning each two – maximum three weeks and

- Perform cleanings during the whole potato plants growth period and up to the full ripening.

- The more carefully the first cleaning is performed, the quicker and easier it will be to perform the other ones.

- Each plant, deviating or lagging from the norm in some way, i.e. looking unhealthy, should be removed. If the new bulbs have already started to form, they are also to be removed.

- It is extremely important to carry out staff training and systematically involve them in performing cleanings.

- Each technician/seed grower should monitor not more than 2 rows.

- The removed shrubs and bulbs must not be piled up on the edge of the field, but should be immediately carried out of the bounds of the field, as they can become the source of new infection.

- Soon after the emergence of seedlings the person responsible for the cultivation of potatoes should perform a thorough examination of seeds. He or she should estimate, on which seeds the cleaning should be performed immediately and with all due care, and on which this procedure will not take much time. With that, one should not hold illusions and abandon careful cleaning of seemingly healthy sections, as in reality absolutely healthy seeds do not exist.

Not only plants, infected with the virus are subject to negative selection, but also those infected with bacterial disease (for example, the “blackleg”) and Rhizoctonia rot, as well as growths, foreign or uncharacteristic for this plant.

It is not recommended to perform a cleaning of strongly infected seeds, in order not to waste time and not to neglect the other sections.



TECHNICAL INSPECTION



Schulte:

North-American

quality and reliability

The EkoNiva Company has been the official dealer of the Canadian firm Schulte since 2005. Only the clients of EkoNiva have the unique opportunity to work with the machines having North-American quality and reliability, as EkoNiva is the only exclusive representative of this North-American company in Russia. Schulte is one of the world's leading specialists in the field of manufacturing of tractor-drawn rotating mulchers, stone and snow cleaners.

By Nikolay BASHKEYEV



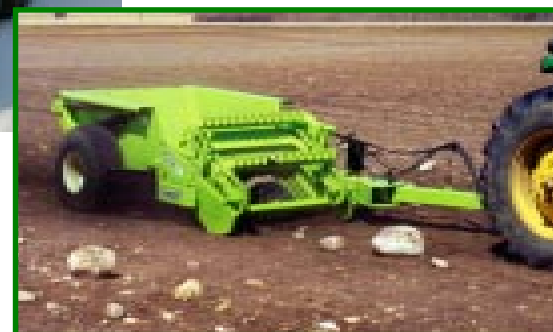
The tractor-drawn rotating mulchers with coverage of from 1.8 to 12.8 m are used for mowing and mulching of all kinds of plants from small bushes and trees to corn stubbles and sunflowers. They can be used on the steam fields, on the abandoned areas to restore the crops in the fields, as well as for mowing and mulching of green manure crops before imbedding. The mulchers are equipped with adjustable wheels. They perform their work perfectly, copying and following the roughness of soil relief. The working bodies of the mower have freely fixed double blades on the rotor and fixedly positioned shear-bar knives. The rotors are driven through a system of cardan shafts and reducing gear boxes. On the Russian market the machines



are represented by following models: 5026, FX520 and S150 with the working width of 8 m, 6.1 m, and 4.6 m respectively. The second line is represented by the tractor-drawn stone cleaners: swathers and rock pickers with storage hoppers. Popular in Russia is the RS320 Jumbo rock picker with a storage hopper of 2.4 m³ and the working width of 1.23 m. It is used for clearing of the stones with in sections from 5 to 70 cm. Type of

work-conveyor. Drive of the conveyor is performed by tractor hydraulics. The machine is equipped with a safety gear which provides protection from damages caused by large unmovable stones. RS320 Jumbo

by the tractor-drawn rotary snow cleaner. The RDX110 model has a grasp of 2.8 m. It is meant for clearing snow drifts up to a height of 1.16 m and throwing it a distance of 10-15 m. Two rollers cut, loosen and capture the snow mass, which is afterwards spread with the help of 5-blade fan. With the appropriate equipment this machine can be used as the grain thrower for transshipment of grain into storage bins, it allows operation during the entire year and reduces the payback period. The snow cleaner is hung on a three-point tractor hinge. Adaptation of corresponding models to telescopic, frontal and mini loaders is also possible



can optionally be equipped with a hydraulic system for work with domestically manufactured tractors.

Another line is represented

GUEST OF THE ISSUE

This is the life credo of all participants of the Pridonye folk band, famous in the entire Voronezh Region and beyond. The group was created over 10 years ago and has united two villages – Shchuchye and Kolybelka, by its creative work. Three of the group members live in Shchuchye and three – in Kolybelka, and they take turns in rehearsing in the recreational centres of both villages. Luckily, the distance from one village to the other is only 12 kilometres...

By Oxana PROTONINA

When your soul sings, all work is easy...

The group is headed by Viktor Kostyrkin – Director of Kolybelka recreation centre. From the day of its foundation his colleagues have been playing with him – Viktor Zhuravlev – Director of recreation centre in Shchuchye, Alexander Gushchin – Principal Manufacturing Engineer of EkoNivaAgro Company, Viktor Kozintsev – Art Director of Kolybelka recreation centre and the author of numerous songs played by the group. One of the most flamboyant participants of the band is Yuriy Rakitin. He is, as people used to say in the old times, “tsar’s person” – Chief Executive of Kolybelka rural settlement. Yuriy Viktorovich is convinced that the creative work in the band helps a lot in his administrative work. He believes that a folk song does not let one’s soul tarnish. Recently the youngest participant joined the group – Mikhail Getmanov, Art Director of Shchuchye recreation centre and the sound engineer of the band.

“The idea to create a folk band came suddenly – it is expensive to maintain a choir, and it is also not too mobile. A band with a good, stable repertoire is what is needed,” says the art director of Pridonye Viktor Kostyrkin. There are more than 60 songs in the repertoire of the group – folk, Cossack, modern songs from the song heritage of Syabry and Pesnyary bands.

I asked Viktor Kostyrkin: “How do you choose people for your band?”

- We all used to sing in vocal and instrumental bands some

time ago, we can say that from school-days our life has been connected with song.

And it is no wonder that one day we decided to join and form a band. Pridonye is a close-knit team with great creative potential and capacity for work. A rich repertoire requires constant renewal, as the audience is quite picky. We need to work hard to win everybody’s favour. It is not enough to just learn the lyrics, everyone has his own part in each song – both

precision and harmony of execution depend on this.

- How do you select the repertoire?

- We sing what we enjoy ourselves, and choose songs very carefully. We can say that each song flows from our hearts. Our repertoire is time proven, but our concerts do not exclude new songs though.

- Do you consider yourselves to be famous artists?

- The Pridonye band is respected and loved in the district, as well as in the region. But we do not consider ourselves to be celebrities and don’t have star fever. We work in the band, above all, for the heart’s sake – simple and kind guys who love to sing and present their talent to the people that have gathered there.

But the participants of Pridonye band also keep in mind their direct occupations. Moreover, all of them have families, households, you can’t

become too much of a celebrity that way. They sing their songs not for rich pickings, but just because they cannot live without singing. They seem not to get tired at all – not every professional can work “live” for more than three hours practically without interruption on the open stage. Not only country people, but also important visitors have seen the true value of the gifts and abilities of the natural talents from Shchuchye and Kolybelka. This year in May, Nadezhda Babkina, having heard the band members sing, invited them to go on a tour with her. The Voronezh philharmonic hall would gladly add the Pridonye band to the talents they already have – and there is the famous Voronezh Academy Choir in their creative arsenal. The creative works of Pridonye is dear to the Voronezh Cossacks – the song of Yuriy Kozintsev “Kazachya Dolya” in 2007 was awarded the Grand-Prix of the All-Russian Festival “Pesni nad Donom”. The Pridonye concert at the German Embassy in Moscow also enjoyed great success.

- Your group has many fans, but do you have helpers?

- The administration of Liskinsky district and EkoNivaAgro help our group a lot. As the saying goes, both morally and materially. All the employees of EkoNivaAgro are our most dedicated fans; moreover, thanks to this company we obtained new costumes and modern equipment.

We are sure that Pridonye folk band has a long and rich creative life ahead of itself. As it is composed of special people – those who work on the native land and glorify these in their songs with equal joy and great commitment.



AGRO-INDUSTRIAL COMPLEX OF THE REGIONS



Today in the "Agro-Industrial Complex of the Regions" column we present the Novosibirsk Region. Not an easy region from the point of view of agriculture: harsh land, high risks, vast territory. But nevertheless, it is a region with a great potential for development. According to regional administration, last year represented a critical stage for the Agro-industrial Complex of the region. A period of active development and not just survival had started in the agricultural sphere. Farmers in the Novosibirsk Region have shown that they could achieve great things, and the most important achievement was that their products became competitive on the market!

By Svetlana WEBER

The struggle for survival is now in the past and today there is a battle for great results



The village of Kirza lies on the shore of the Ob Sea, one hundred twenty kilometres from Novosibirsk, and has a unique history. In the 16th century this land belonged to prince Kir. He received a proposal to start a town on that location, and he said "I'm for it!" ("Ya-za" in Russian). From that moment a rumour spread that "Kir was for it!" ("Kir-za" in Russian). People were happy and spread this rumour of his decision. And so it came to pass – the settlement was called "Kirza". Today the Kirzinsky Agricultural Production Cooperative, where more than one hundred agrarians work, is located here. We met the director of this farm – Vladimir Seleznev:

By Yekaterina MOREVA

"I have been managing this enterprise since 1982," Vladimir Ivanovich told us. "The hardest period was the mid 1990's, when the dismantling of the old system of management was taking place. Back then we went through a period of total absence of money and we experienced a true struggle for survival."

- How did you manage to boost production in those hard times?

- We started to work in various business directions that were not characteristic for our enterprise: we opened a bakery, built milk and meat processing plants. We started to process and pack our products and send these to Novosibirsk, to the city's consumers. Thanks to this, the enterprise managed to survive with

minimum losses. Gradually qualitative changes started taking place in cattle breeding as well. In



Soviet times milk yields of three thousand to three thousand five hundred were considered as great results, and now we obtain five thousand one hundred. We could not even dream of such milk yields in Soviet times. The live body weight gains have also changed, now they are around 800 grams, although before a 400 gram of weight gain was considered as extremely large.

- How quickly did you manage to renew the mechanical fleet?

- Ten years ago we had already started purchasing imported equipment. Back then it was something incredible. People came from neighbouring villages to see the miracle. Last year we purchased equipment in the amount of 50 million rubles: John Deere tractors,

sowing combines, a cultivator, a reversible plough, baling machines. We provided all field cultivation with the necessary modern equipment.

Before this I had no idea that there was such wonderful equipment created for people - now it is reality! This evening I will come home dirtier than the tractor driver. He has an airtight cabin, with good noise insulation and an air conditioner. He sits there like a lord and stays completely unruffled. And the handling is all very easy, in spite of the frightening size of the equipment.

- Nowadays there are many suppliers of imported equipment on the market, by which criteria did you choose "yours"?

- EkoNiva-Sibir has been successfully working in the market, it had earned a good reputation village buyers. The company strove not to disappoint their expectations, especially when it concerned operational efficiency and quality of service. Therefore, since this company behaved so decently, we turned to them. They offer modern, dependable equipment. The service is well organized, and this is one of the most important criteria for uninterrupted operations. As without service and maintenance the equipment is dead.



In 2008 for technical modernization of the agricultural enterprises of Novosibirsk Region plans are to spend six billion rubles. For comparison, last year enterprises in the region had purchased new technological tools and equipment valued at over three billion rubles.

"The quality leap in the technical upgrading can be constrained only by the lack of credit resources," says the regional governor Viktor Tolokonsky. "Today we have entire districts, where all old equipment has been replaced. We still have three or four years before we finish the technical modernization in the countryside," summarized the governor of the region.

EkoNiva-News Information

The Kirzinsky Agricultural Production Cooperative specializes in plant cultivation and dairy cattle breeding. The area under crop production is 10,000 ha. Grain and leguminous crops are cultivated. There are 800 heads in the milking herd. The cattle are black-spotted. The cooperative has its own processing facilities: milk plant, bakery, and primary meat processing plant.



The state regional agriculture development support program in Novosibirsk Region calls for spending of 1.488 billion rubles in 2008. The planned annual increase is 15 percent of this amount.

FOCUS GROUP

The John Deere tractors and harvesters are well known on the Russian market. But the hay and fodder conservation equipment of this manufacturer is still a novelty. This year John Deere decided to focus the attention of Russian agrarians on this equipment and offered a full line of machines for conservation of fodder and hay.

By Svetlana WEBER



Journalists on the forefront

of fodder conservation

Journalists, invited by John Deere to the Kaluga Region on Press Day got an opportunity to familiarize themselves with the new exhibits firsthand.

"Most of these machines are presented on the Russian market in such wide assortment for the very first time," said the Head of Moscow Office of John Deere Sid Bardwell. "We feel that they will be of benefit to Russian agrarians."

In this there is no doubt, especially since in connection with active development of cattle breeding such equipment is needed and popular more than ever. The new fodder conservation harvesters of the 7050 series are called intelligent machines which can work day to day around the clock. They can work with the wide range of the processed crops. The result is always the same – high-quality animal feed.

The JD cropping and



Sid Bardwell

crashing machines are characterized by their high productivity and unequalled cutting quality. Self-propelled mowers provide power, reliability, and high speed. Thanks to these qualities, they are considered to be one of the best means for work in the most severe conditions.

The cylindrical balers are equipped with dozens of innovative functions which increase their productivity, allow producing round-bales of high density and quality. And for transportation of such rolls, one cannot do without loaders.

Journalists were able not only to go through the theoretical course of fodder conservation, but also to see the machines in operation, and to experience the process of harvesting, so to speak, from the inside – from the tractor or harvester cab. There was an opportunity to communicate

with specialists from manufacturing plants from the USA and France. To learn that there are no differences between the machines produced for Europe, America, and Russia. They all are produced by unified quality standards.

Taking the opportunity, journalists managed to ask the Head of Moscow Office of the Corporation several questions, particularly, on the delays in delivery of JD equipment.

"Deliveries were our bottleneck this spring," answers Sid Bardwell. "The major problem was the customs office, severe requirements for shipment documentation. Although we have not had such troubles until this year. We are now working to make our factories prepare all necessary accompanying documentation for the equipment in full accordance with the requirements of Russian customs legislation. We are expanding, increasing the number of specialists who are going to deal with the issues of deliveries, and we hope that the difficulties remain in the past."

Regarding the quotas allocated by JD for each country, Sid explained: the problem was that demand for agricultural equipment market considerably exceeds the supply.

"Our plants cannot produce so

many machines as the market requires," said Sid Bardwell. "In order to smooth out the situation, large investments were made into JD plants in the USA, Brazil, and Europe. But we still cannot fully satisfy the demand for agricultural equipment. Therefore, in order guarantee delivery of equipment, one needs to order it as early as possible."

Journalists received an interesting answer to the question on the possibility of opening manufacturing of tractors in Russia.

"Ministry of Agriculture asked us to do some research: whether it would be profitable to produce the JD tractors in Russia," continues Sid. "We had been studying this issue for 18 months and found that a tractor produced in Russia, would cost more than one delivered from America."

The tractor price is significantly affected by the cost of components, produced by suppliers. And for now this is very expensive. But Sid leaves open the possibility that in a few years with the development of the Russian economy the production of JD tractors or harvesters will start in our country as well.

Changes in taxation of agricultural enterprises

In 2008 important changes were made in the Tax Code of RF, affecting all enterprises operating in the agro-industrial sector of the economy.

By Evgeny KOLPINSKY, barrister in Ratum Law and Consulting Group

It is necessary to point out that, according to p. 2.1. of the Federal Law of 6 August 2001 No. 110-FZ in 2008 the agricultural manufacturers have the right to continue using the zero tax rate on

profits.

Furthermore, amendments were made to the Federal Law of 17 May 2007 No. 85-FZ in paragraph 26.1 of Tax Code on the Single Agricultural Tax which came into effect on 1 January 2008 and makes provisions for the right of organizations and individual entrepreneurs, who have switched to paying the Single Agricultural Tax, to acknowledge expenditures for reconstructions, modernization, completion, additional equipping and technical upgrade of property, plant and equipment.

Apart from that, starting on 1 January 2008 the payers of the

Single Agricultural Tax, upon partial payment for property, plant and equipment and intangible assets, have the right to acknowledge the expenses in proportion to the payment and take into account in their expenses the losses suffered from mortality of poultry and cattle within the framework of the norms established by Government of the Russian Federation. If the Single Agricultural Tax payers keep a record of operations by a simple co-partnership agreement, then they are obliged to pay VAT in connection with their co-partnership operations.

Most of the changes entering into force improve the situation of the

LEGISLATION PILOT

tax payers; solve many controversial issues in their favour. Among the amendments, which aggravate the situation of agricultural products manufacturers only one should be noted: the agricultural manufacturers have the right to use the reduced profit tax rates only in situations where they are acknowledged as agricultural for the purposes of the Single Agricultural Tax, according to p. 2.1. of the Federal Law of 6 August 2001 No. 110-FZ, i.e. organizations (including agricultural consumer cooperatives) and individual entrepreneurs with the share of income from sales of agricultural products of not less than 70 percent.



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. We will be expecting your photos until October 2008. The photos will compete in one of the following categories:

The best photos will be published in *EkoNiva-News* and awarded prizes. They will also be included in the exposition of the most striking works to be exhibited in Moscow in October.

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)



"I love my calves so much; I give them spring water to drink".

Lyubov Yashchenko, calf-woman of the EkoNivaAgro LLC animal production unit.



"Today I am dragging a John Deere by a rope, and tomorrow I will drive it into the field".

The young guests of the EkoNiva-Tula Service Centre.



"I have a good hand, there will be a lot of milk" - milkmaids of the EkoNivaAgro LLC animal production unit prepare the cows for the morning milking.



"When I grow up I will be like my Daddy – working with zest, driving with the wind in my face!"

Dmitry Litvinov, machine operator of EkoNivaAgro LLC, during sowing time and at home with his son Danila.



REGIONAL NEWS

The representative of John Deere plant (Zweibruecken city) Guenter Meyer made an official visit to Novosibirsk. The purpose of his visit was for negotiations with EkoNiva-Sibir LLC on the improvement of service maintenance and planning of an original replacement parts warehouse.

To work at one hundred percent

"EkoNiva is the youngest and largest dealer of John Deere in the entire world. We are pleasantly surprised with the quick tempo of the company's growth and are convinced that this is thanks to the competent service maintenance and effectively planned replacement parts warehouse," noted Guenter Meyer.

As a result of the visit, a detailed analysis was performed and plans for the next three years were determined. Starting this very year, the DNS system was implemented, allowing John Deere dealers to have operative and accurate

information on the availability of replacement parts in the production plant warehouses in Germany and USA. This will enable us to react to customer requests even more precisely and work with maximum productivity.

In order to see with his own eyes how the equipment works in the Siberian environment, a representative from the Zweibruecken plant also visited the two agricultural enterprises in Novosibirsk Region (Sibirskaya Niva LLC) and Altai Territory (Belokurikha LLC). Communicating with Siberian agrarians Guenter Meyer put emphasis

on the fodder harvesters, - expensive, multi-purpose machines, requiring special care and knowledge from the harvester operator. The main recommendation on maintenance of equipment was the planning of its own replacement parts warehouse at each farm. This will help in reducing the down-times of machines during the season and will provide the opportunity to use machines at 100 percent capacity.

Resource saving technologies - in life



This year, for the second time now, the hospitable Voronezh land welcomes to its fields specialists of the agricultural sector from all leading agricultural regions of Russia, representatives of major national and foreign companies - manufacturers of agricultural equipment.

By Yelena SHCHERBAKOVA

On 19 June in the Anninsky District the Second Interregional Exhibition-Demonstration called «Voronezh Field Day» was held.

Attention of the visitors was attracted by the John Deere 7350 forage harvester, presented by the EkoNiva-Chernozemye Company and already popular among the agrarians. And this is not by accident. As is well known, 2008 has been declared as the Year of Resource-Saving Technologies.

"One cannot speak of modern technologies, if one does not use modern equipment which suits these technologies," stated Valentina Maleva, the first deputy of the Chief Administration of Agrarian Policy in Voronezh Region.

Implementation of John Deere forage harvester has allowed us to increase productivity, reduce fuel and lubricant consumption and hence to reduce the production costs.

John Deere 7350 is a new generation machine, designed for simultaneous mowing, mulching, and loading of silage agricultural plants.

John Deere 7350 received a lot of positive feedback from agrarians, experts, and specialists who had come to evaluate the work of the equipment in the field.

The advantages of John Deere fodder harvester have been pointed out by the organizers of the event. The EkoNiva-Chernozemye Company was awarded commemorative diplomas and a gold medal.

Demonstration of equipment on the Ryazan Land

On the grounds of EkoNiva-Ryazan LLC a specialized exhibition-seminar was held, where the arsenal of modern agricultural equipment, supplied to the Russian market by EkoNiva Company, was presented. Also the operational capacities of the exhibited agricultural innovations were also demonstrated there.

The potential of John Deere tractors and harvesters, Annaburger trailers, Einbock cultivators, BVL agitators and feed mixing machines, Vaederstad seeders of Rapid model and other samples of first-class equipment were judged on their merits by guests of the exhibition. And these were leaders and representatives from 40 of the largest farm businesses - and not only from Ryazan, but also from the Moscow region. The initiative of EkoNiva was also supported by the Ministry of Agriculture of the Ryazan Region.

"The main purpose of the exhibition was to familiarize our clients with the new innovations in technology and agricultural equipment," says the director of EkoNiva-Ryazan LLC Sergey Krupsky. "Both in the region, and beyond it, people should know that we do not only supply agricultural equipment, but also perform service maintenance, repairs and supply of replacement parts. And we do this at a very high level, maintaining in all our work the professional credo: 'Best equipment and reliable service for our clients'."

Although EkoNiva-Ryazan is one of the youngest entities in the network of EkoNiva companies, within a short few years of its operations it has managed to win the respect of Ryazan agrarians by the dependability of the supplied equipment and the quality of service. And thanks to this exhibition the list of clients of EkoNiva-Ryazan has been expanded: now it includes at least five more farm businesses in Ryazan Region.



OUR PEOPLE

Four years ago the graduate of Kursk Agricultural Academy, Yuriy Korotchenkov, came to work in the EkoNiva Company. To be more precise, his place of work became one of the EkoNiva farms, Zashchitnoye LLC, located in the Shchigrovsky District of Kursk Region. A year before he did an internship in Germany in the APOLLO line – the association organizing practical studies for Russian students in German agricultural enterprises. There he got to know the cutting-edge technologies, which Europe has to offer to agrarians. Of course, he wished to put his knowledge into practice and in this respect he could hardly find a better ally than EkoNiva.

By Oxana PROTONINA



OUR EXHIBITIONS

The Deputy Prime Minister of Ivanovo Region now has his personal John Deere tractor



On 4 June in the Gavrilovo-Pasadsky District of Ivanovo Region a Field Day was held. This year, among the invitees were the agricultural enterprises of Ivanovo, Yaroslavl, and Kostroma regions. More than 200 people in total took part in this event. Vladimir region has been with dignity represented by the EkoNiva-Vladimir Company, which demonstrated examples of agricultural equipment by the world's leading manufacturers – John Deere, Kverneland, and Annaburger.

There are many Ivanovo residents among the clients of the EkoNiva-Vladimir Company. Without modern harvesters, tractors, seeding machines and cultivators, supplied by EkoNiva-Vladimir to the farm businesses in Ivanovo Region, it is no longer possible to imagine the work in the Arseny Collective Farm, Dzerzhinsky Brood Farm, Rassvet Collective Farm, and Reshemsкая Sloboda LLC.

Not only ordinary farmers rely on the EkoNiva Company. Successful and productive work of EkoNiva-Vladimir has been specifically noted by Dmitry Mikheyev – the First Deputy Chairman of the Vladimir Regional Government, head of economical development complex of the region.

EkoNiva workers also did not leave the favour unanswered – Deputy Prime Minister of Ivanovo Region was presented with a miniature model of a John Deere tractor.



Yuriy Korotchenkov:

“Just as towards each person - there is a special approach to each field”

Yuriy says that he has always wanted to work in agriculture. He graduated from two specialized schools: Orel Agricultural Technical School (where he has received a diploma with honours) and the Kursk Agricultural Academy. He was also a good fit for EkoNiva – young, active, with great



of land were ploughed this year, and I started to work on 800 hectares. The yield capacity is growing. Modern machines and equipment appeared, the salary is good, and now former collective farmers often seek work at Zashchitnoye.”

Yuriy's working day does not fit into the routine 8 hour day. However, he manages not only to carry out his professional duties, but to teach in a school as well. Two times every week the students from the tenth class attend his facultative studies of agronomical science. By the way, the program of studies has been developed by Yuriy Korotchenkov himself. And this is no wonder, as he also managed to complete his postgraduate studies. To add to everything else, Yuriy is a sportsman – he not only plays on the EkoNiva football team but also heads the volleyball and basketball classes for schoolchildren.

This is the way their “affair” started, though he had to go on «dates» in rubber boots, in all weather conditions and even during any time of the day. This is the fate of a true agriculturist. Moreover, until recently Yuriy Korotchenkov has been fulfilling two more “positions” – that of the builder and of engineer. But Yuriy does not complain about the hardships – the farm is young and promising, just as everyone that works there. For half a year, Yuriy has “grown up” from the seed grower-agriculturist to the chief agriculturist of the farm.

“When I came to the farm for the first time, the deserted fields struck me the most: earlier the Pobeda Collective Farm was located where Zashchitnoye now stands,” recalls Yuriy. “Within four years great progress has taken place here. The threshing-floor house has been renewed, seed lines appeared, new storehouse with active ventilation, a silo tower. Over 6 thousand hectares

“The work of an agriculturist is very hard and diligent, and you get to see results only after some time,” says Yuriy. “But one should remember the most important thing – each field is like a human being: to make it live and breathe, an individual approach is needed. And I am glad that the older people, who had spent their entire lives in these places, say that they had never seen such well-managed fields like the these ones today.”

NEW CONTEST

In the Family Circle



Dear readers! This year has been declared the Year of the Family in Russia, and we could not ignore this event. Our newspaper invites everyone to take part in the children's drawing contest - “In the Family Circle”. Send your children's drawings, showing something that relates to your family life. These may be portraits

of family members, sketches on some family events and holidays, impressions from enjoying rest together. There are always many topics for a little artist! Results of the contest will be announced in December. The best artists will receive prizes and of course their work will appear on the pages of our newspaper.

Please send the drawings to following address: EkoNiva-Media LLC, 79-a Radishchev St., Kursk, 305004, Russia marked In the Family Circle Contest, or by E-mail: vesti@ekoniva.com. Contact phone number: +7 (4712) 39-26-60.

The Premiere of the new Prime Minister

PUTIN MEETS THE PEOPLE

The whole of last month Russia was attracting great attention of the world public, caused by the management reshuffle on the country's political «Mount Olympus». President Putin having handed over the reins of power to his successor has retained his position in the political cohort, now heading the government. Despite some predictability of these events, no one could define for certain the new government's priorities.

By Oxana PROTONINA

The fact that the main stress will be placed on agriculture and that just in a month's time the agricultural strategy will be reinforced through confirmation of a series of significant documents and steps has turned out to be a pleasant surprise for common agrarians. Another important aspect is that the former Prime Minister Viktor Zubkov became responsible for monitoring agricultural questions in the new Cabinet of Ministers. He is aware of all the problems and knows this work very well.

One of the first measures taken by Putin as a Prime Minister was a visiting meeting with the major agrarians of all the regions which was held in Yessentuki. Here the domestic Agro-Industrial Complex's problems and ways of solving them were discussed and not only its positive points. According to Vladimir Putin, Russia has a unique agricultural potential which is capable of not only feeding the country but also representing itself as an important player on the global food market.

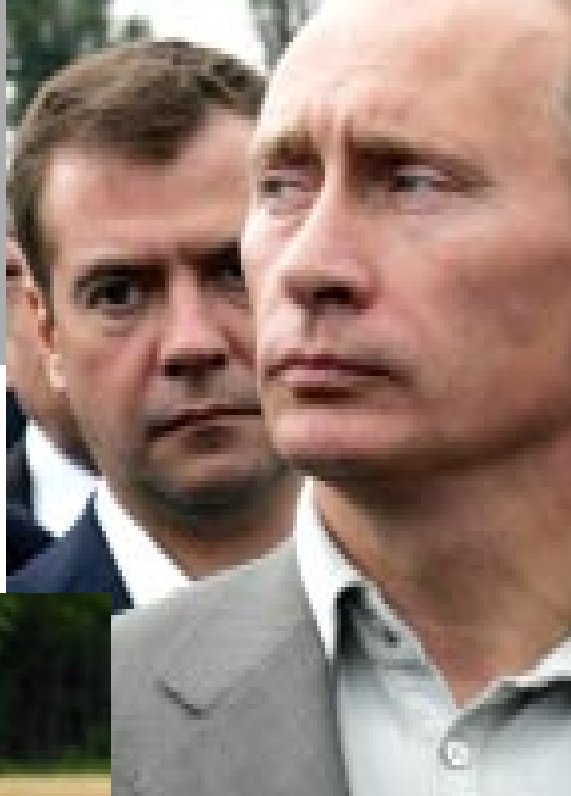
Before starting to discuss the future of the Russian Agro-Industrial Complex, the Prime Minister, accompanied by his First Deputy Viktor Zubkov, Minister of Agriculture Alexey Gordeyev, and the Plenipotentiary in Southern Federal District Vladimir Ustinov decided to become acquainted with the "subject of the conversation" and went to the dairy unit of Suvorovskaya Village.

Having exchanged his black formal suit for a windbreaker, light trousers and a shirt without a tie – attire more appropriate for this situation, Putin did not just "meet the peasants". With the persistence



unusual for an urbanite, he was finding out with what the cows were fed and what their productivity was. Being aware that availability of qualified specialists in the country is one of the problems, he asked about working conditions and salaries. He even had a common borsch for lunch at the village canteen.

Literary in one hour, starting the session with heads of agricultural regions,



Vladimir Putin remarked that all he that he saw proved that Russia can and must become an important player in the global food market, and protect herself from sharp changes in food product prices.

"We need to significantly increase the production of the main types of agricultural products. First of all this refers to meat, milk, and grain," Putin said. With this in mind careful attention, of course, must be paid to the grain as the main raw material resource of the whole agricultural output.

Having studied the state of things in the Russian Agro-Industrial Complex, the Government has made a decision to invest additional



assets – around 50 billion rubles – to support domestic agricultural production. The resources will be spent for grants to agricultural producers, and more than 30 billion rubles will be directed to increase the registered capital of OAO Rosselkhozbank.

"This will significantly increase its power to provide credit to the Agro-Industrial Complex and ensure grain market stability," the Prime Minister stressed and specified that there is talk about a possibility for intervention in this sphere.

The Prime Minister's believes that the additional resources will enable the purchase of up to 5 million tons of additional grain.

The President supports the new Prime Minister's agriculture policies. It is clear to everyone that to avoid price increases it is necessary to put in effort, time and investments into

agriculture development.

Alexander Sysoyev, Deputy Chairman of the State Duma's Agricultural Committee, member of United Russia fraction.

"Recently at the meeting devoted to Agro-Industrial Complex questions the Russian Prime Minister Vladimir Putin reminded all those present that in the late 1990s almost 90% of the agricultural enterprises in the country were losing money. Today there are about 25% of such enterprises. This is still not a small figure but it is less than the 90%. And the main point – he mentioned – that the mood of people living and working in the country has changed for the better."

Russian President Dmitry Medvedev has supported the Government's decision to make amendments to the 2008 budget providing significant investments for development of the Agro-Industrial Complex. Therefore both the President and the government are doing their best for the domestic producer not to lose the positive results achieved thus far.

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