

Export orientation of agribusiness enterprises in the region

E V Stepanova¹²

¹FSBEI HE «Krasnoyarsk State Agrarian University», 660049, pr. Mira, 90, Krasnoyarsk, Russia

²FSAEI HE «Siberian Federal University», Krasnoyarsk, Russian Federation, 660041, pr. Svobosniy, 89, Krasnoyarsk, Russia

elina.studentam@mail.ru

Abstract. The article discusses the export opportunities of agricultural enterprises in the framework of the Federal project "Export of agricultural products". The export volumes of agricultural products were determined and trends in the development of Russian exports in the markets of Southeast Asia and the Asia-Pacific region as a whole were identified. A significant share of Russian exports is grain. The main importance for Russian exports of agricultural products is China, which has high requirements for the quality of wheat. Of particular relevance is the activity of the "Rosselkhoznadzor" in the field of quality assessment of regional agricultural products. The implementation of measures to support agricultural enterprises focused on exports will allow developing in new foreign markets, increasing exports and foreign exchange earnings several times.

With the development of international cooperation between the BRICS countries and the Eurasian Economic Community in the agricultural sector, the need for providing high-quality and environmentally friendly food products is growing. The Russian Federation is increasing export volumes of agricultural products. At the end of 2018, the volume of agricultural exports from Russia amounted to about \$ 26 billion. In connection with the sufficient good crop harvesting, the scope of deliveries of grain crops abroad has increased. The grain harvest obtained in 2018 amounted to 110 million tons in net weight [1]. This allowed realizing the export potential for grain crops by 39 million tons, for wheat - 34 million. In monetary terms, since 2015, a steady growth in exports of Russian agricultural products has been observed (table 1).

Table 1. The exports volume in 2015-2018, billion dollars

Period, year	Export volume, billion dollars
2015	16,2
2016	17,4
2017	20,5
2019	25

The main part, more than 40% of Russian agricultural exports is grain, 18% - sunflower oil, fish-17% [2]. While maintaining the growth rate, the stated goal – to double the export of agricultural products by 2024 to 45 billion dollars – is quite achievable. On December 14, 2018, within the

framework of the Federal project "Export of agricultural products", the Project Committee of the National Project the national project "International cooperation and export" was approved. According to which in six years Russia will sell abroad almost 55 million tons of grain. The main export grain markets for Russia will be the countries of Africa, Southeast Asia, the Persian Gulf countries and China. This will generate foreign exchange revenue of \$ 11.4 billion. Fish and seafood are also expected to almost double the growth of exports – up to \$ 8.5 billion dollars. Significant growth is expected in meat and dairy products – exports should increase more than fourfold: from \$633 million in 2017 to \$2.8 billion by 2024 [3]. Exports of oil and fat products should grow three times – up to \$ 8.5 billion.

Of primary importance for Russian agricultural exports is China. Exports of Russian agricultural products to China over the 9 months of 2018 increased by 43% compared to the same period last year and reached \$ 1.8 billion. At the same time, Chinese businessmen are increasing purchases of Russian agricultural products, and are expanding their presence by developing their own production in Russia. According to SPARK, in February 2018, 5867 companies were registered in the Russian Federation, the owners of which were individuals and legal entities from China [2].

Most legal entities with Chinese participation in Moscow, where there are 1946 companies. In second place is Primorye (652 companies), followed by St. Petersburg with 366 and Amur Region with 327. Chinese business can be found in all regions of Russia, including the Kaliningrad Region, Chechnya, Sevastopol, Crimea and Adygea. In total, Chinese business is present in 74 of the 85 regions of Russia.

Agricultural production is one of the main areas of Chinese business in Russia. Especially in neighboring regions of China. Reports on the activities of "Chinese farmers" in Russia confirm this. So, in 2018, the income from the agricultural enterprises in the Aihui region in the Russian Federation amounted to 120 million yuan or \$ 17.7 million. Companies of this particular region exploit more than 60,000 hectares of land in the Amur Region and in neighboring regions of the south of the Russian Far East. According to Heihe Jibao newspaper, Chinese companies in the Russian Far East are working on the development of five large Russian-Chinese agricultural clusters in Russia. Mostly, companies in the Aihui region in the Russian Far East grow and process soybeans. A significant part of it is exported to China for processing [2].

Similar enterprises appear in other regions of Russia. China is building its own policy of agricultural cooperation, ensuring the supply of agricultural products not only through traditional purchases from Russian manufacturers, but also due to the expansion of production by Chinese companies in Russia. So far, the volume of exports of Russian products to the China and "own" production by Chinese businessmen of agricultural products in the territory are not comparable. But Chinese businessmen have rich experience in "developing" distant territories and serious plans for world leadership. And this means that in the future, the factor of the development of Chinese production on Russian farmland may also affect the export of domestic products.

Russia was able to agree on long-term cooperation with one of the most capacious markets – Chinese. Since the end of last year, Russian milk and meat began to be delivered to China. At the start of this project, 23 Russian meat companies and 10 dairy companies were included in the list of accredited exporters. The declared Chinese strategy for increasing the export of agricultural products will increase the inflow of foreign currency earnings by several times.

The Krasnoyarsk Territory exported grain to China for the first time in 2017, becoming one of only four Russian regions that received this right. Last season, more than 50 thousand tons of grain and oilseeds (rapeseed, buckwheat, oats, barley) were delivered to China, as well as to Mongolia. In 2018, export deliveries increased markedly. Thus, according to the Krasnoyarsk Reference Center of the Rosselkhoz nadzor, over 25 thousand tons of wheat were delivered to China in 9 months (in 2017 this figure was almost half), and more than 120 thousand tons to Mongolia [4]. According to the regional Ministry of Agriculture, the main export goods are wheat and rapeseed. They account for more than 70% of the export of regional agricultural products. The Rosselkhoz nadzor Administration for the region presents export data: in 2018, 159 thousand tons of grain and 39 thousand tons of rapeseed

were exported. The main consumers of grain are Mongolia and China. 121 thousand tons were delivered to Mongolia, and 31 thousand tons to China. Analysis of data on the shipment of grain and its processed products for export for the period 2016-2018 allowed determining the export dynamics, which tends to instability. In 2016, 11.5 thousand tons of rapeseed were exported to China, in 2017 – 8.4 thousand tons, and in 2018 – 10.5 thousand tons. In 2016, 127 thousand tons of wheat were exported to Mongolia, in 2017 – 15.6 thousand tons, in 2018 – 117.6 thousand tons. In addition to grain, regional agricultural producers are actively supplying eggs and ice cream abroad. In 2018, 14 million eggs were sent to Mongolia and 150 tons of ice cream [5].

Not only large enterprises, but also small and medium-sized businesses are developing a new type of activity for themselves, as well as new products for the Krasnoyarsk Territory and products in demand in foreign markets. So in 2018 Taimyr delivered to the international markets such products as Taimyr game animals and by-products, smoked, raw smoked, frozen, air-dried venison, fish, Siberian taiga wild plants, mushrooms and berries, as well as such gifts of Yenisei Siberia such as: pine nuts, turpentine gum, buds and needles of cedar and fir, taiga berries, honey products.

The state policy pursued in recent years to support foreign economic activity has allowed the region to become one of the leaders in terms of grain exports, and to enter a sustainable growth path for exports of products of the agrarian sector of the economy. For the period from 2015 to 2018, exports of foodstuffs and agricultural raw materials from the region increased by half, its share in the regional export commodity structure doubled. Small and medium-sized companies in the region carried out almost all the export of this group of goods [6].

In order to increase the export of agricultural products, the regional authorities carry out some work in this direction. In May 2019, at the St. Petersburg International Economic Forum, the head of the region signed a cooperation agreement with “United Grain Company” JSC. “United Grain Company” JSC is constructing a specialized grain terminal in the seaport of Zarubino, Primorsky Territory, and may provide the Krasnoyarsk Territory with organizational and expert advice on accessing the markets of Southeast Asia and the Asia-Pacific region as a whole.

The most promising market for the region is China, which has a positive attitude towards Russian products. In addition to this, there is a trend towards everything natural, environmentally friendly. To enter and consolidate in the Chinese market, there is an acute problem of quality. Asian partners place high demands on the quality of wheat.

In the context of growing volumes of export deliveries from the Krasnoyarsk Territory, especially grain and food products, the activity of the FSBI “Krasnoyarsk Reference Center of the Rosselkhoznadzor” in the field of assessing the quality of regional agricultural products is of particular relevance. Confirmation of the quality of grain and its processed products is one of the key tasks of the Krasnoyarsk Reference Center. In 2007, this function was transferred to the organization from the State Bread Inspectorate. The Reference Center is the only authority in the region with the right to issue quality certificates necessary for laying grain and cereals in the state reserve and intervention fund, as well as when registering vehicles for export.

The Rosselkhoznadzor Expertise Center is a testing laboratory and a certification body for products and services that conducts work from sampling and conducting laboratory studies to the issuance of the necessary documents: test reports. In 2018, 791 quality certificates were issued, 785 of which were issued for export (in 2017 - 376, respectively, and 305 - for shipment for export). During the year, 338 international certificates for wheat and rapeseed shipped to China and Mongolia were issued. For the successful implementation of grain exports, it is extremely important to comply with all the conditions of contracts for product quality [7].

In the Krasnoyarsk Territory, the regulatory support of exports is represented by the following documents:

- Decree of the Government of the Krasnoyarsk Territory dated September 30, 2013 No. 506-p “On approval of the state program of the Krasnoyarsk Territory “The development of agriculture and regulation of agricultural products markets ”;

- Decree of the Government of the Krasnoyarsk Territory dated September 30, 2013 No. 505-p “On approval of the state program of the Krasnoyarsk Territory “The development of investment activity, small and medium enterprises”;

- The passport of the regional component of the national project (program) "International Cooperation and Export" Krasnoyarsk Territory [8].

In the framework of the federal program "Export of agricultural products" the government approved a regional project of the Krasnoyarsk Territory. It envisages a 2.6-fold increase in agricultural exports from the region by 2024 (from \$ 18.7 million to \$ 47.9 million). The project plans to pay attention to promoting regional products in foreign markets. It is planned to create a “new commodity mass”: some agricultural enterprises will be technologically re-equipped, while others will create new capacities. By 2031, the region plans to launch 75 investment projects worth more than 65 billion rubles. Of these, in the field of crop production, it is planned to introduce 12 projects (including year-round greenhouses, selective seed production). In livestock breeding, 31 projects are planned and 32 in the field of processing agricultural products [9].

The main barrier is the region remoteness from seaports and border railway stations. Geographical remoteness determines the high cost of agricultural products in international shipments. Transportation costs account for 30-40% of the final cost of agricultural products. At the regional level, there are problems with the shipment of grain and its processed products, which create uneven acceptance of applications by railway rolling stock operators. Regional shippers are faced with a limitation in the number of specialized grain carriers. To solve the problem of transport accessibility of the region, the Krasnoyarsk Territory is included in the list of Russian subjects which grain cargo can be transported without paying a railway tariff.

Particular attention should be paid to the development of integration processes of agribusiness enterprises of the Krasnoyarsk Territory and other regions of Yenisei Siberia. Combining efforts from the state and private companies will allow overcoming the identified problems:

- to reduce costs for the production and sale of finished products of agribusiness enterprises;
- to use economic resources rationally;
- to reduce the interaction barriers;
- to strengthen the competitiveness and control over the market situation;
- to reduce the financial risks;
- to coordinate the joint actions;
- to improve the economic conditions due to the mechanism of income redistribution;
- to use the innovative technologies [10].

New measures to support agriculture at the government level will allow for increasing exports, and this will allow agricultural enterprises to reach specified levels of production and exports. Subject to major structural changes in the economy and legislation, liberalization of taxation of agribusiness, the possibility of increasing the production of competitive agricultural products and food increases. It is worth noting the influence of another factor that will determine the growth of exports and is associated with the expansion of the geography of deliveries of Russian agricultural products. The Ministry of Agriculture of the Russian Federation announced that it intends to send 50 representatives of the agricultural sector abroad by 2021, which will work to increase the recognition of Russian agricultural products. The implementation of support measures for export-oriented agricultural enterprises will allow penetration and assimilation into new foreign markets, which is fundamentally important for Russia.

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