

RUSSIA



Report on the status of
organic agriculture and
industry in Russia

Gefördert durch



Bundesministerium
für Ernährung
und Landwirtschaft

BÖLN

Bundesprogramm Ökologischer Landbau
und andere Formen nachhaltiger
Landwirtschaft

aufgrund eines Beschlusses des
Deutschen Bundestages

Imprint

Editor

Joachim Lenz,
Claudia Neumann



EkoConnect e.V.
Schützengasse 16
01067 Dresden
www.ekoconnect.org

Author

Alexander Lysenkov
(agrosovet.organic@gmail.com)

Proofreading

EkoConnect e.V.

Translation from German

Petra Schneider

Layout & typesetting

whateverworks.biz

Gefördert durch



Bundesministerium
für Ernährung
und Landwirtschaft

BÖLN

Bundesprogramm Ökologischer Landbau
und andere Formen nachhaltiger
Landwirtschaft

aufgrund eines Beschlusses des
Deutschen Bundestages

Disclaimer

This report was funded by the German Ministry of Food and Agriculture within the framework of the project **28200E002**.

This report has been prepared to the best of our knowledge and belief. We cannot however accept any guarantee for the accuracy, correctness or completeness of the information and data provided.

Content

A Basic Information	3
<hr/>	
B Agriculture in Russia	5
Self – Sufficiency Rate	
Import – Export Regulations	
Outline of the History of Organic Farming in Russia	
Current Status of the National Organic Standard and the Implementation of State Control with Implications for Marketing	
State Support	
Association: National Organic Union	
Association: Union of Organic Farming	
<hr/>	
C Recent Developments in EU Organic Production	9
Current Developments in EU Organic Food Processing	
<hr/>	
D The Ecomarket in Russia	11
Direct Marketers /Internet Shops	
Organic Shops/Unpacked	
Retail & Supermarkets	
Export	
<hr/>	
E Conclusion	14
<hr/>	
F Bibliography	15

Basic Information

Country statistics

17.098 mio. km²

National area

144,4 mio.

Number of inhabitants

9 inhabitants/km²

Population density

54,6 mio.

Number of households

2,6 people

Average household size

10.350 €

GDP per capita¹

Rubel (RUB)

Currency

1 Rosstat, 2020

Food market

1.080 €

Expenditure on food per capita and year²

10%

Food expenditure as % of GDP per capita

200 billions

Volume of the food market in €³

2 GTAI, 2020

3 ebenda

Areas where organic farms are located

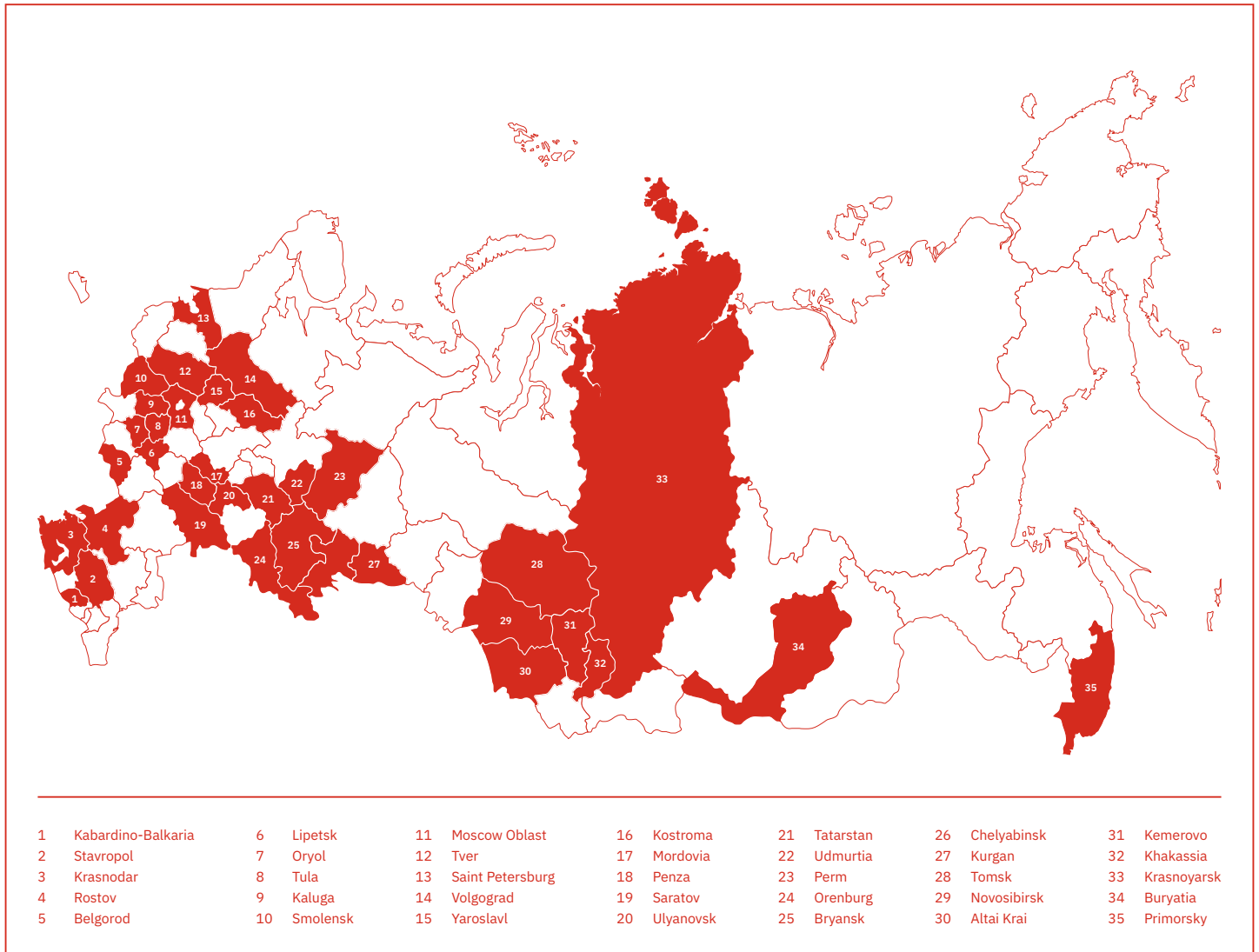


Figure 1: Map Russia | Areas where organic farms are located

Climate and land use

The climate in Russia is not uniform due to its size. The country is home to all climate zones from polar to sub-tropical except the tropical one.

Winters are cold and dry. Summer temperatures vary greatly. Average temperatures are 1 to 2 °C in the north, but 24 to 25 °C in the semi-steppes and steppes of the south. In the Eastern European plain there is considerable rainfall (up to 650 mm per year), which decreases towards the east. In the Caspian depression about 120 mm are measured. There is also abundant rainfall in the south of the Far East and in the southeast of the Kamchatka peninsula (up to 1,000 mm annually).

For climatic reasons, only 13 percent of the country's land is arable, of which around 60 percent is used for agriculture. Most of the country's arable land is located in the so-called "fertile triangle", which stretches along the western border from the Baltic Sea to the Black Sea and tapers off to the east into the southern Urals. With a few exceptions, the limit of economically viable cereal cultivation in the Far East is 60 degrees' north latitude. Towards the south the climate is too dry without irrigation.⁴

⁴ Wikipedia, 2020

Agriculture in Russia

Russia has about 10% of the world's arable land. The focus of the Russian economy is on commodity trade. The share of agriculture in GDP in 2019 was only 3.7%.⁵

Self – Sufficiency Rate

Russia is one of the largest wheat exporters in the world. The export volume in 2019 was 31 million t.⁶

The agricultural sector is very high on the Kremlin's priority list and receives massive financial support. These subsidies and the adoption of import embargos have led to Russia becoming self-sufficient in pork and poultry meat.

The supply of vegetables is also largely covered. Only the beef and dairy sector is growing slowly.

Import – Export Regulations

In 2014, the EU and the US imposed sanctions against Russia. Russia also reacted with sanctions, including a ban on the import of food – both conventional and organic – from the EU.

The following product groups are affected:

- Beef, pork and poultry – fresh, chilled, frozen, dried as well as smoked, pickled and in brine;
- Sausage products;
- Fish and seafood;
- milk and milk products including cheese, curd, butter, other milk fats, excluding lactose-free products;
- Vegetables – fresh, chilled, dried, frozen, pre-preserved;
- Fruit and nuts – fresh, frozen, dried.

Nevertheless, there are a number of products which are not covered by the sanctions. They can therefore easily be imported directly from the EU. These include beers, wines, juices, oils, soya, cocoa, chocolate and pasta.

⁵ vgl. Rosstat, 2020

⁶ vgl. ebd.

For organic exports from Russia to the European Union there are some additional rules to be observed. The inspection body must be informed at an early stage, a systematic check of the documentation carried out, samples taken in accordance with Regulation (EU) No 691/2013 and subsequently analysed in an accredited laboratory. This regulation is valid until 31/12/2020 and may be extended.

Outline of the History of Organic Farming in Russia

The beginnings of organic farming in Russia certainly also lie in the subsistence farming with which Russian families have provided for themselves on their dachas. In the mid-1990s various projects were added to this, some of which were biodynamic but not officially certified. At the beginning of 2000 the private inspection body Eco-Control became active in Russia. It checked according to the EU Organic Regulation, but was neither approved nor accredited by the EU.

During this time, various European inspection bodies in Russia were also commissioned, which mainly certified arable farming and wild collection projects according to the EU Organic Regulation.

The first still existing company with a valid EU organic certificate is Ilya Kaletkin's Biosphära LLC, which, according to its own information, received its first certificate in 2009.

Since a large part of the agricultural land in Russia was left fallow, the conversion period could be shortened by presenting the necessary documents.

At the beginning of the development of organic farming, almost all EU certified organic products such as cereals and wild collection products were exported. Processed organic food, on the other hand, was imported and consumed by the wealthy classes.

A change is evident in the Russian consumer. The demand for organic products is increasing and organic has gone from being a luxury good to a consumer good. Since Russians often have doubts about the correctness of Russian organic products and yet there is a desire for regional food, the establishment of the Russian organic standard could help.

What is special about Russian organic producers is that this group is very small compared to the size of the country. And they are not very well connected with each other.



Figure 2: Grassland with hay harvest

In Russia, most farms have a completely different history from those in Germany. Many organic farmers in Russia have usually had a different career. They then put the money they earned into their organic farming and became farmers or agricultural entrepreneurs. As the density of farms is very low, the farms are far apart and they are not inherited, there is a lack of knowledge passed on within the family and of technical discussions between colleagues.

Although in Germany twice as much land as in Russia is farmed organically, the number of farms in Germany is 317 times higher.

This means that there are 31713 organic farms in Germany. In addition, there are a large number of associations, institutions and educational establishments involved in organic farming. In Russia, on the other hand, there are just under 100 organic farms and two associations.

Current Status of the National Organic Standard and the Implementation of State Control with Implications for Marketing

In July 2018, the State Duma adopted the Law on Organic Food. It was approved by the Federation Council and signed by President Putin on the third of August 2018. It entered into force on the first of January 2020.

Three more regulations have been adopted to implement the law:

- **GOST R 56104 2014:**
Organic food, terms and definition
- **GOST R 57022 2016:**
Production of ecological products. Procedure for voluntary certification
- **GOST 33980 2016:**
Products from organic farming, rules for production, processing, labelling and sale

Thus the Russian Federation has created a foundation which is based on the rules of European legislation.

The farms which have successfully completed the control procedure will be published on the website of the Russian Ministry of Agriculture. Processing plants can label their products with a QR-Code (see figure 3). This code can be scanned by the consumer and is then entered in the Central Register of Certified Companies. The register can be accessed at the following address ([↗](#)).

To identify Russian organic products as such, the logo shown in figure 4 is used.



Figure 3: Cream Cheese Russian Organic Standard with QR-Code

In the meantime, five private inspection bodies have been approved for certification according to Russian standards and also accredited by "Ross Accreditation".

The Russian standard is still in its early stages and needs further elaboration. On the one hand, a reliable certification system should be established by creating a state monitoring system. On the other hand, organic producers should receive state support, not only financially but also by promoting infrastructure, transparency and acceptance, both among Russian consumers and on the international market.

The Russian Standard is in the process of being accepted into the IFOAM family of eco-standards.



Figure 4: Russian eco logo

Info

State register of organic producers

www.opendata.mcx.ru/opendata/7708075454-organicprod

Accredited inspection bodies

- FGBU "Rosselkhoz Centre" (Voronezh branch)

www.rosselhoscenter.com

- Organic Certification Ltd.

www.sibir.bio

- "Test Tatarstan"

www.test-tatarstan.ru

- Organic Expert Ltd.

www.organik-expert.ru

- ANO Roskachestvo

www.roskachestvo.gov.ru/organic/

State Support

Apart from the fact that the law on organic farming came into force on 1.1.2020, there is currently no nationwide state support. There are, however, areas such as Yaroslavl, Tomsk, Mordovia and Voronezh, where organic farming is supported regionally.



Figure 5: Russian organic grain certified according to different standards

Association: National Organic Union

The **National Organic Union** was founded in 2013 by actors of the organic market in Russia.

The main purpose of the Association is to provide comprehensive support for the creation and development of the national market for organic products in Russia and assistance in creating organisational, economic, legal and social conditions necessary for the development of domestic production of organic agricultural products.

The association is involved in establishing the legal framework in Russia to ensure the sustainable development of organic farming. They are in exchange with the Ministry of Agriculture.

A list of organic farms is published on the association's website. The Association is trying to include the Russian standard in the **IFOAM family**.

Association: Union of Organic Farming

The **Union of Organic Agriculture** is an independent professional association, an official partner of the Ministry of Agriculture of Russia, the Federal State Budgetary Institution "Rosselkhoztsentr".

The association brings together pioneers and managers of organic farming, agricultural producers, specialists, scientists, inspection bodies, producers of organic plant protection products and fertilisers. The association is a member of the **International Federation of Organic Agriculture IFOAM**. The Union is an effective communication platform for lobbying and promoting common interests. The field of activity of the Association is the development of trade relations in the field of organic agricultural products, means of production (organic pesticides and fertilisers, entomophages), scientific and technical cooperation with international, federal and regional organisations, transfer of innovation, agrotechnologies, staff training, consultancy and agricultural support.

Info

Association: National Organic Union

www.rosorganic.ru



Association: Union of Organic Farming

www.soz.bio



Recent Developments in EU Organic Production

Even though there are no official reliable statistics on organic farming areas in Russia, it can be said that Russian organic farming has grown in recent years. According to (Willer, Schlatter, Trávníček & Kemper, 2020) the area of land used for agriculture has increased by 26.5% to 606975 ha in 2018. This puts the Russian Federation in eighth place in terms of global organic area increase.

However, according to the National Organic Union of Russia, the certified agricultural area in Russia was only 390 000 ha in 2018.

The difference of 216975 ha can presumably be explained by exclusively NOP-certified large farms that farm away from the general organic sector. NOP areas are taken into account in FIBL.

All NOP certified companies can be found at the following address ([↗](#)).

Cultivation in % of the organic field area

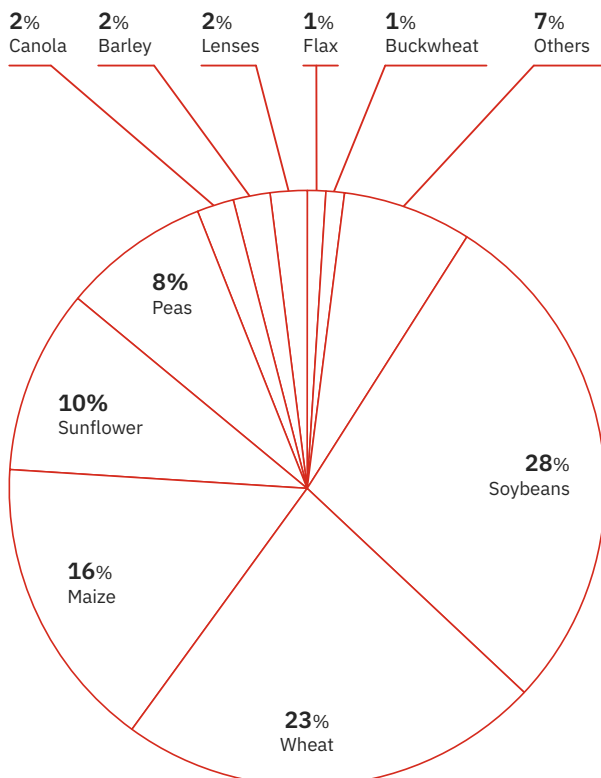


Figure 6: Cultivation in Russia

Share of the Russian organic market in %

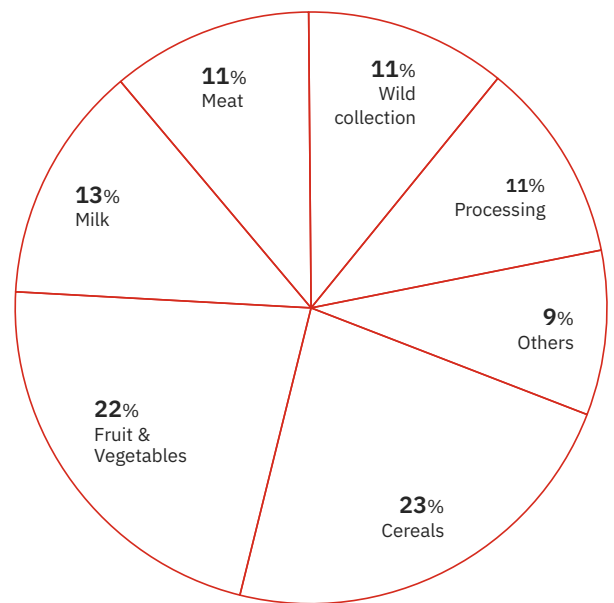


Figure 7: Share of the Russian organic market in % (Mironenko, 2020)

There are an estimated 100 organic farms in Russia. If the agricultural area of 606975 ha is divided by the number of holdings, it can be assumed that an average of about 6000 ha⁷ is farmed (including fallow land and permanent grassland). However, it is not possible to give any indication on the range.

Compared to the total organic area, livestock numbers are very small. According to (Willer, Schlatter, Trávníček & Kemper, 2020), in 2018, almost 2000 cattle and 1300 sheep were reared according to EU organic standards.⁸

Organic pig and poultry husbandry on a significant scale is currently unknown.

The low share of meat and milk production is shown on Figure 7.

⁷ Willer, Schlatter, Trávníček & Kemper, 2020

⁸ Vgl. ebd.



Figure 8: Cedar nuts on the tree and processed oil

In addition, 133838 ha of ecological wild collection is being operated in Russia. Siberian pine nuts are worth mentioning here. They are used for consumption as well as in natural cosmetics. Mushrooms, berries and wild herbs are also collected.

Current Developments in EU Organic Food Processing

According to (Willer, Schlatter, Trávníček & Kemper, 2020)⁹, 26 processors are active in the production of organic food. Hipp as a baby food producer still plays an important part here. Wild collection products are often processed or preserved, i.e. dried, shock-frozen (mushrooms and berries) or, in the case of cedar nuts, peeled, ground or de-oiled. Some cereal producers process their grain into flakes, barley and grist. Vodka distillation is another grain processing method that is very popular in Russia.

Organic milk production and processing has increased due to the import embargoes on dairy products imposed in 2014. For example, in 2010 the dairy processing of the **Spartak** farm was the only one certified according to the EU Organic Regulation. In the mean-

time, the largest raw milk producer and processor **Eko Niva** has also set up an organic line for producing drinking milk and yoghurt.

Further farms with on-farm milk processing have been established in the Moscow region.

Current development of organic agricultural production and processing according to Russian standards: In addition to the above-mentioned farms, which are certified according to **NOP** or **EU** organic standards, a total of approximately 28 other farms should be mentioned. These farms are exclusively certified according to Russian standards. Among them are 9 vodka producers, 12 agricultural enterprises, 2 milk processors and 4 beverage producers.

Info

Register of NOP certified companies

www.organic.ams.usda.gov/integrity/

⁹ Willer, Schlatter, Trávníček & Kemper, 2020

The Ecomarket in Russia

The size of the country and the long distances between producers and consumers alone make the organic market in Russia special. About 70% of the turnover of organic products is generated in Moscow and almost 30% in Saint Petersburg. The turnover in the remaining areas is marginal.

There is considerable distrust of the Russians into the national products. Moreover, until the middle of the last decade there were only a few processors of organic food.

According to the EkoConnect country report for 2011¹⁰, 95-100% of products were still imported. This has decreased to about 80% according to own estimates due to the food embargo imposed by Russia. There are no official statistics on this (reasons explained in the Export chapter). The products that can still be imported are also found in the food retail trade.

Direct Marketers / Internet Shops

To our knowledge, in Russia does not exist direct marketing with farm shop, weekly market stall and delivery to hotels or gastronomy like it does in Germany. Although some farms have small sales outlets on their premises, they cannot market their entire production in this way. However, more and more internet shops are evolving. Arivera, for example, markets its cereal products through an internet shop and a shop with delivery service in Moscow. Other food products are also sold there.

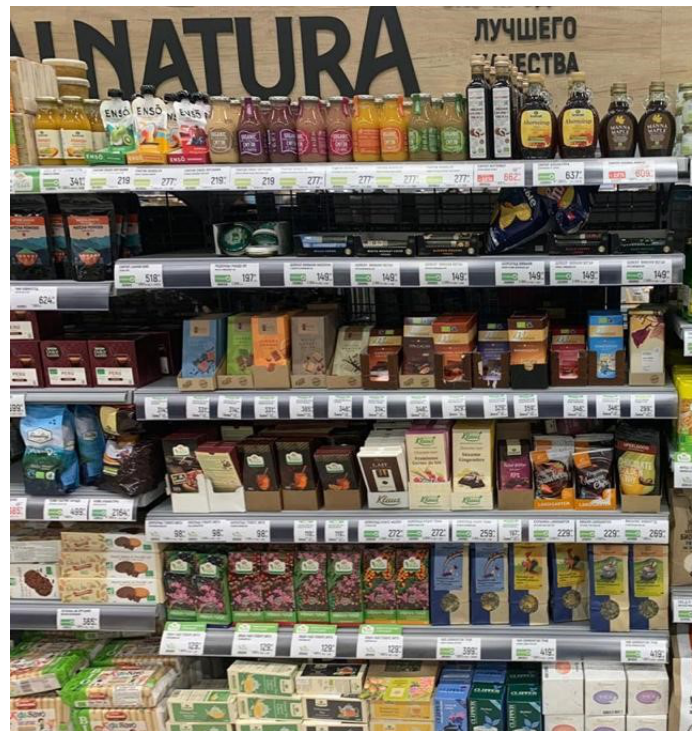


Figure 9: Organic product range in the supermarket

¹⁰ EkoConnect Länderbericht von 2011
<http://ekoconnect.org/de/14-Länder-Studie.html>

Organic Shops / Unpacked

In 2020, the first organic-certified specialist shop "Rosch da Ljon" (in English: rye and linen) opened its doors in the Moscow area. As the Russian Organic-Gost Standard does not yet have a regulation for shops, the shop was certified by KIWA BCS according to the EU standard. Originally, the shop was intended as an internet shop with the possibility to purchase cosmetics and cleaning products suitable for allergy sufferers. As there was a nice shop next to the warehouse, the first certified unpacked shop was opened.

Retail & Supermarkets

The classic way to buy organic food is still to go to a supermarket with a wide range of products. Here superfoods and organic products are usually offered in a "healthy corner".

Organic dairy products are also offered by national producers, but are often sold out very quickly due to the low volume of production and high demand.

The following supermarket chains offer a comprehensive organic range, both Russian products and imported goods.

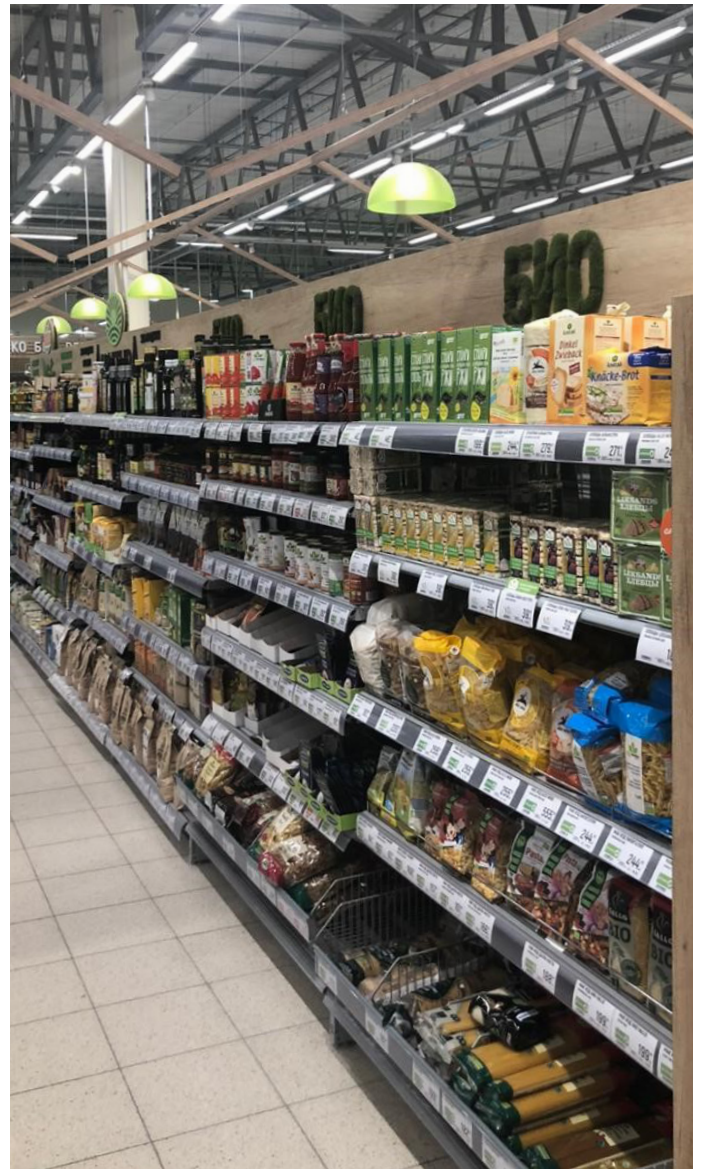


Figure 10: Organic range in Moscow supermarket

Supermarket chains

Trade network Azbuka Vkusa

www.av.ru



Auchan retail chain

www.auchan.ru



"Globus" – a hypermarket chain

www.globus.ru



Export

According to (Willer, Schlatter, Trávníček & Kemper, 2020), the export volume of organic products from Russia to the EU in 2018 was 34069 t.¹¹

It is difficult to obtain reliable data on the export of organic products. The statistical coverage of the Russian customs authorities causes a big problem. Since Russia tolerates but does not support the equivalent European and also North American certification in its own country, no organic reference is made in customs statistics when leaving the country.

Goods only certified according to Russian standards are currently not recognised outside the Eurasian trade union.

¹¹ Willer, Schlatter, Trávníček & Kemper, 2020

Russian EU organic certified exporters

LTD SIBBIOPRODUCT

- cereals, oil, oil cake, flour
- Komsomolskiy, 14, Tomsk, Russian Federation



www.sbp.thsib.ru/de/

Sava

- Pine products, Wild collection products



www.en.tpksava.ru

UFENAL

- cereals, legumes, oil fruits
- Universitetskaja street 36, 410012 Saratow Russia



www.ufenal.ru/de/

Rusberry

- Wild collection products
- Russia, Saint-Petersburg



www.rusberry.com/en/

From Wild Company

- Wild collection products
- 659377, Russia, Altai krai, Biyskiy district, selo Lesnoe, Sovkhoznaya street, 24G



www.from-wild.com/de/

Conclusion

Russian organic farming has enormous growth potential!

It has a huge, unused capital area with the best conditions for arable land without having to clear rainforest by fire. To ensure that these areas can be used by future generations, it is essential that the land is used ecologically.

Russia already grows a great deal of legumes and pulses. On the one hand, they are excellent sources of protein and, on the other hand, legumes in crop rotation maintain soil fertility.

The market for pulses is likely to continue to grow in the near future. Processed milk and meat substitutes from legumes are not yet available from Russian organic production. Meat alternatives are now also very popular in Russia. Near Moscow, a start-up company produces conventional meat substitutes.

Another way to exploit cereals and pulses is to feed them to farm animals to produce milk, eggs and meat. This development depends on the increase in income of the Russian population and the health awareness of the Russian citizens.

Another aspect is the mutual recognition of organic standards. 80% of the organic products sold in Russia are still imported from the EU to Russia and marketed there with EU organic certification. This is still tolerated at the moment. It is likely, however, that after the establishment of the Russian standard, the market will be cleaned of foreign logos. This means that if European companies want to continue exporting to Russia, they will have to be certified according to the Russian standard.

Similarly, some Russian organic farms, which produce both, for export and for the domestic market, have to undergo two certification processes. At present this means that two inspection bodies always have to be appointed, because there is no Russian inspection body ap-

proved in the EU and no international EU organic certifier is accredited according to Russian standards.

It is unlikely that Russia will produce animal products such as organic poultry meat and eggs for export to the EU in the near future as it does with plant products now.

Considering the rapid expansion of conventional poultry and pork production over the last six years, it would certainly be technically and financially possible. But due to the lack of a secure control system, this is not practicable.

It is therefore important to invest in the infrastructure of Russian organic farming. The following points are particularly important:

- Creation of a broad advisory system with exchanges between the parties in order to design new processing and distribution channels.
- Promote organic farming in education and research.
- Further development of the national standard by creating a transparent and effective control system.
- Creation of acceptance among consumers by explaining and promoting the national standard.

Creating a well-functioning, secure certification system would have the side effect of potentially removing Russia from the EU's third country list of unsafe states. Exports to the EU would then be easier.

Bibliography

Figures

1	Map Russia Areas where organic farms are located	4
2	Grassland with hay harvest	6
3	Quark Russian Organic Standard with QR Code	7
4	Russian eco logo	7
5	Russian organic grain certified according to different standards	8
6	Cultivation in Russia	9
7	Share of the Russian organic market in % (Mironenko, 2020)	9
8	Cedar nuts on the tree and processed oil	10
9	Organic product range in the supermarket	11
10	Organic range in Moscow supermarket	12

Bibliography

- GTAI, <https://www.gtai.de/gtai-de/trade/branchen/branche-kompakt/russland/branche-kompakt-russland-produziert-mehr-nahrungsmittel-trotz-228920> (abgerufen am 30.10.2020).
- Mironenko, O., <http://rosorganic.ru/> (abgerufen 10.2020).
- Rosstat., <https://showdata.gks.ru/finder/> (abgerufen am 30.10.2020).
- Wikipedia, <https://de.wikipedia.org/wiki/Russland> (abgerufen am 30.10.2020).
- Willer, H., Schlatter, B., Trávníček, J., & Kemper, L. J. (2020). The World of Organic Agriculture Statistics and Emerging Trends 2020. Frick and Bonn.: FiBL and IFOAM – Organics International.