



Progress in the Russian beef and sheep sector

Daniil Khotko

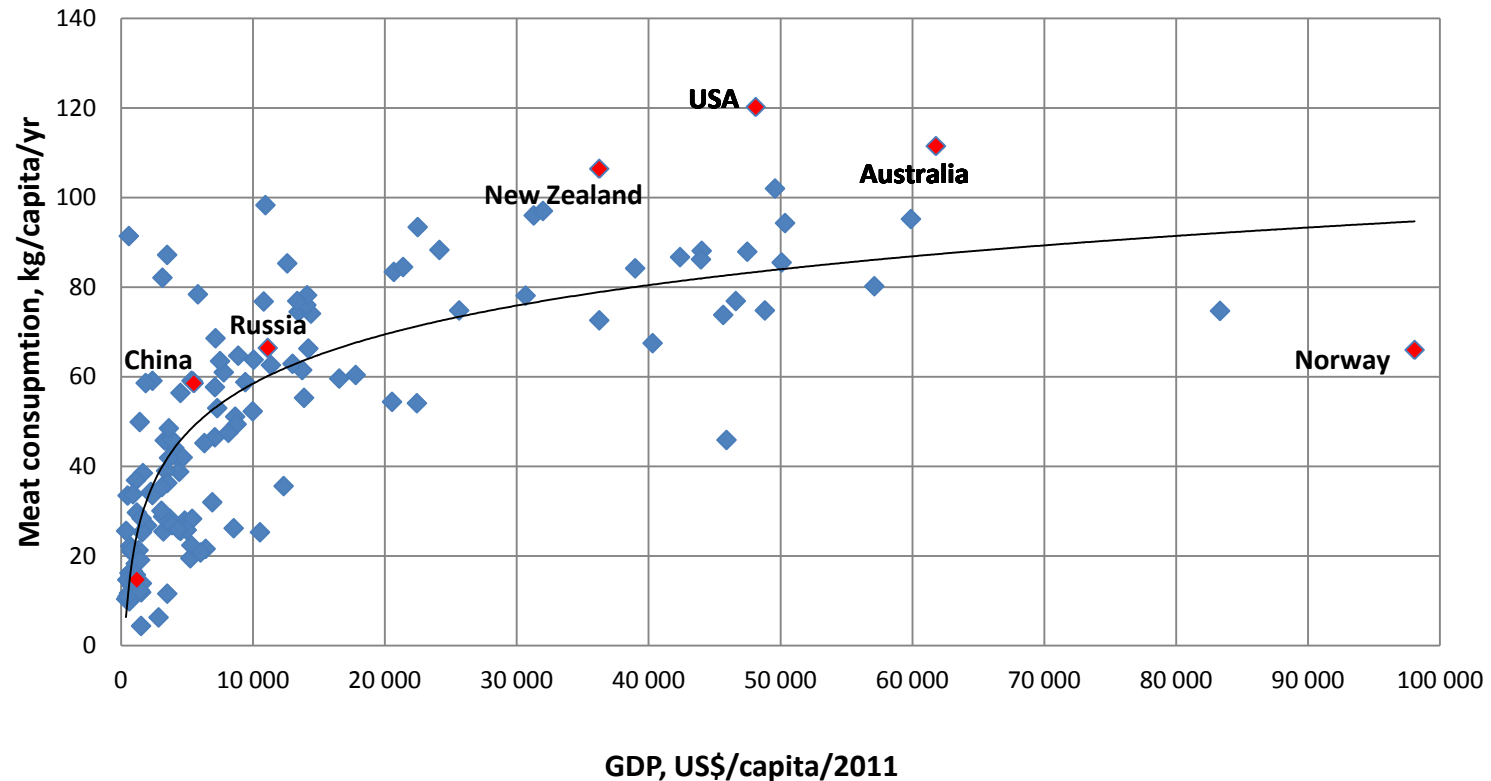
19/06/2013

York

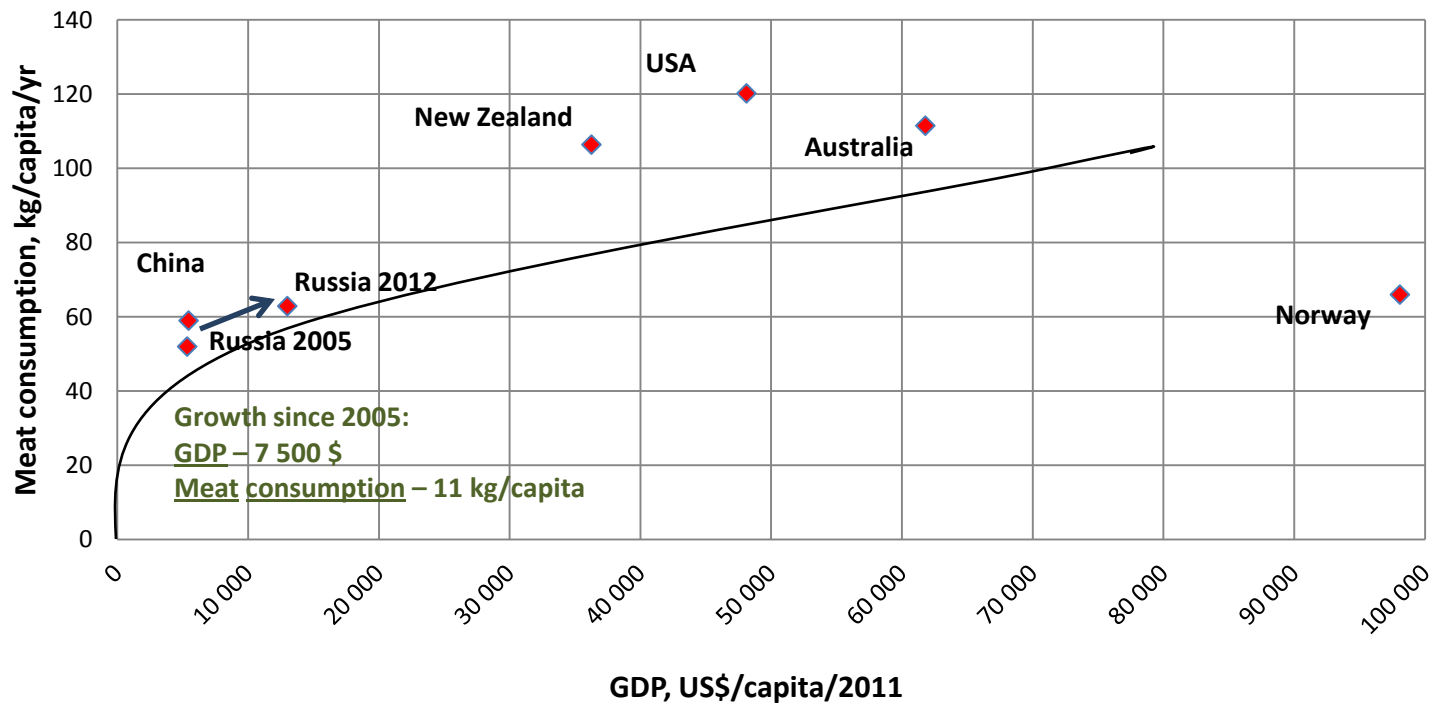
Content

- Macroeconomics: World and Russia
- Position of beef and sheep sector in Russia
- Cattle herd and production: where is the growth?
- Government support: emphasis on beef cattle
- Beef and mutton prices in Russia in comparison with world trends
- Final remarks

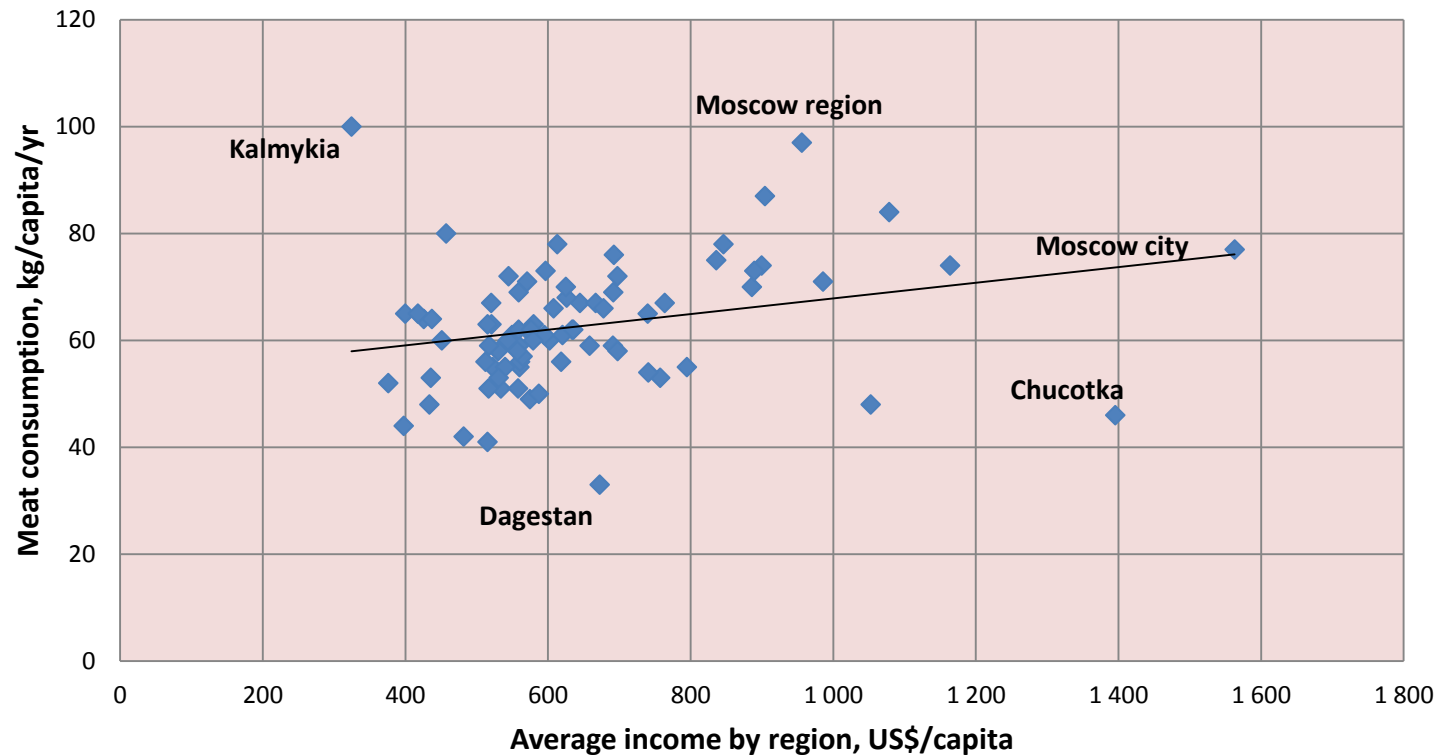
GDP – Meat consumption in the world



Russia's progress in GDP and meat consumption

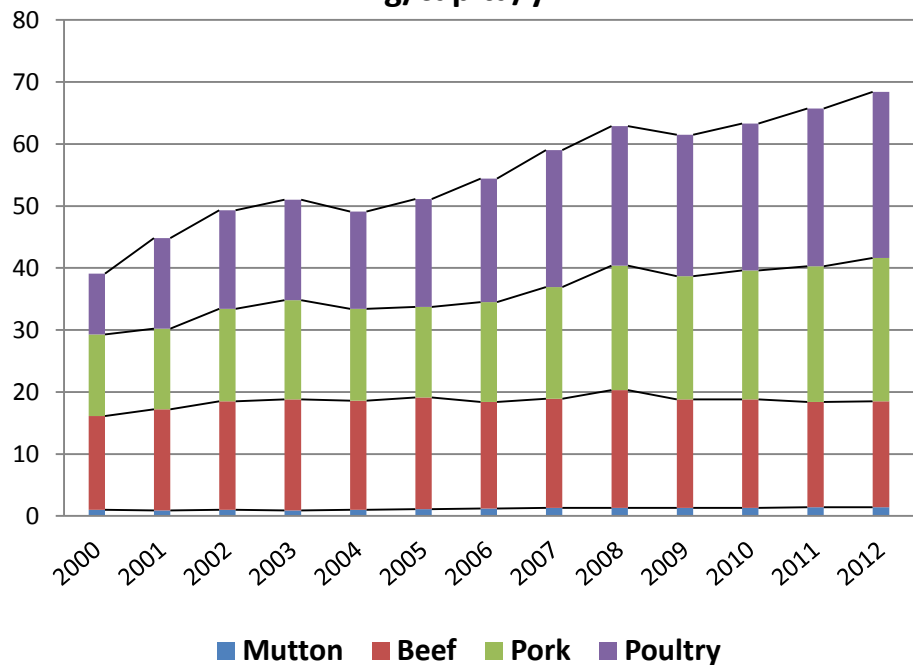


Relation between incomes and meat consumption in Russia

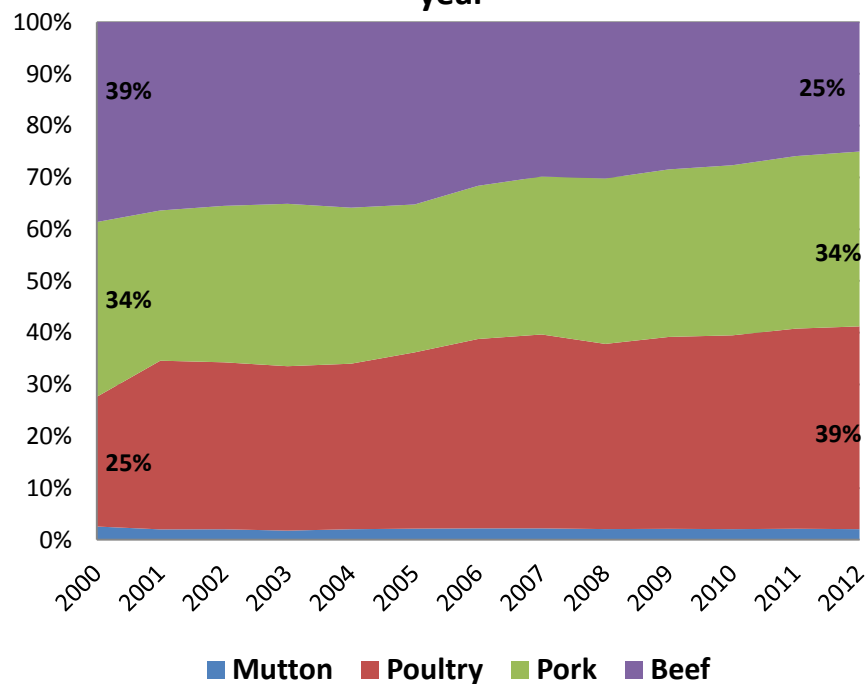


Meat consumption in Russia

Progress in meat consumption in Russia,
kg/capita/yr

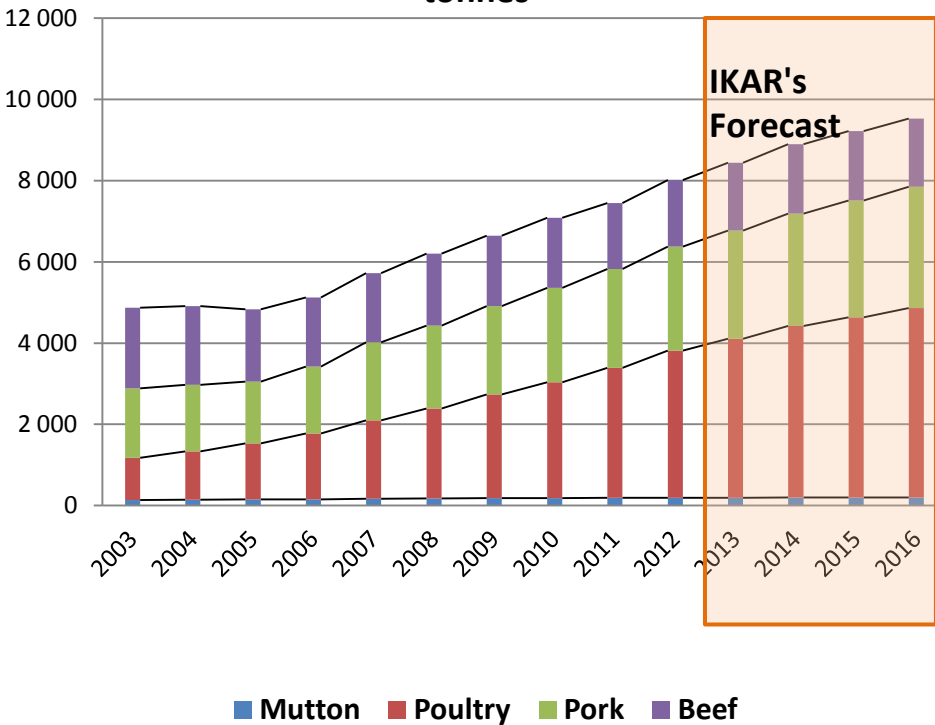


Structure of meat consumption in Russia by
year

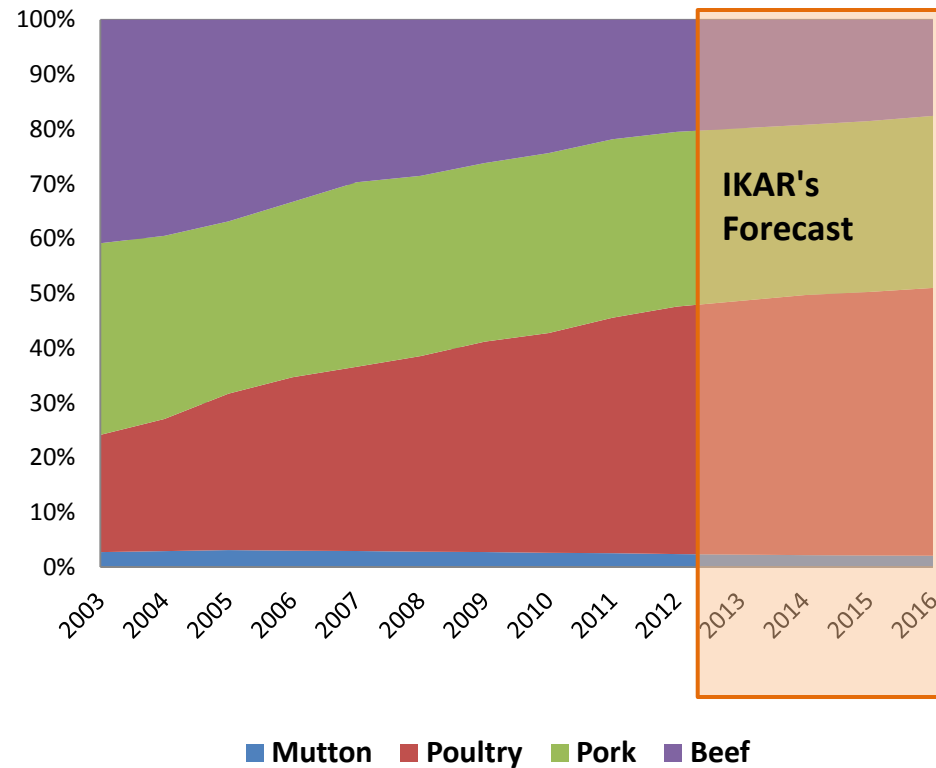


Meat production in Russia

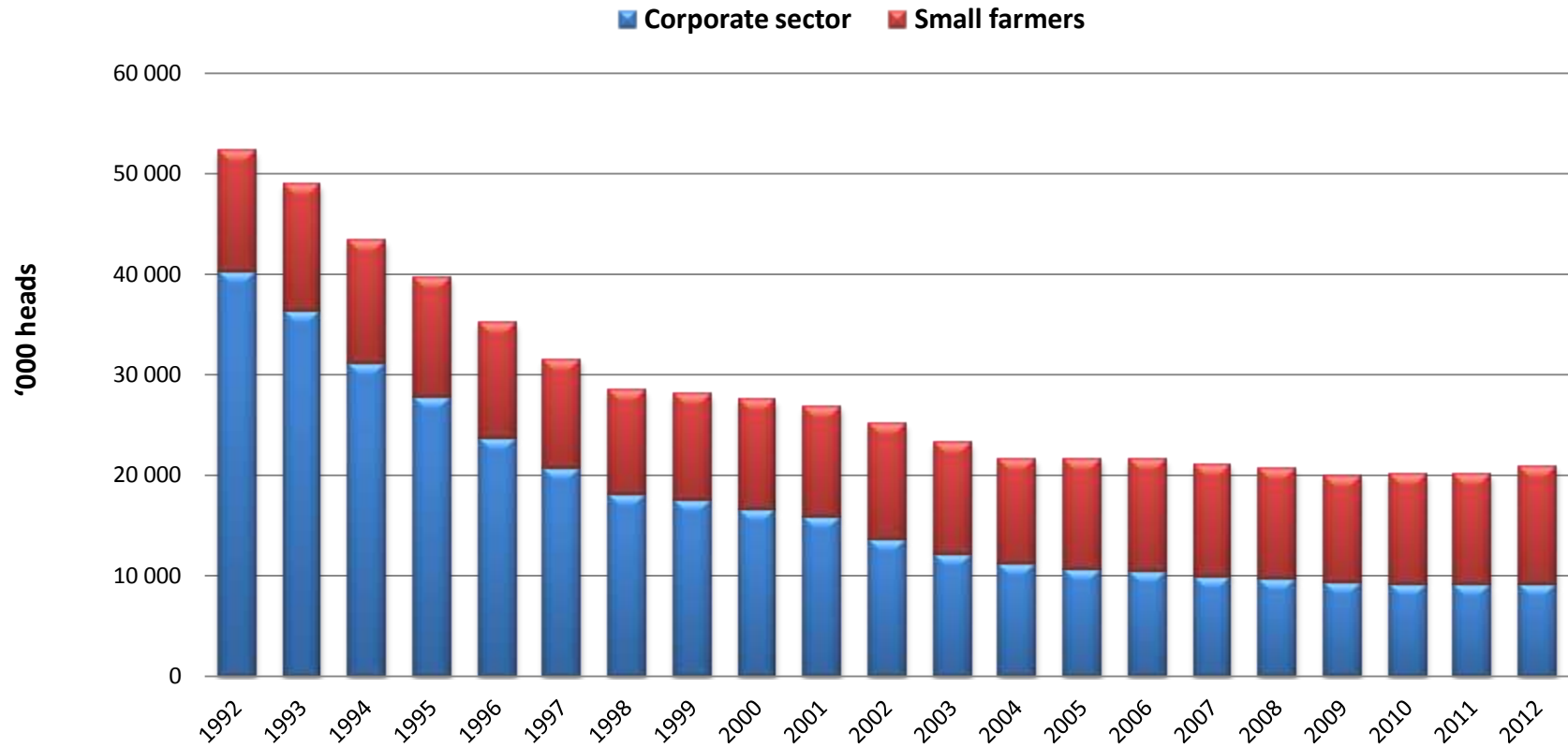
Progress in a meat production in Russia, '000 tonnes



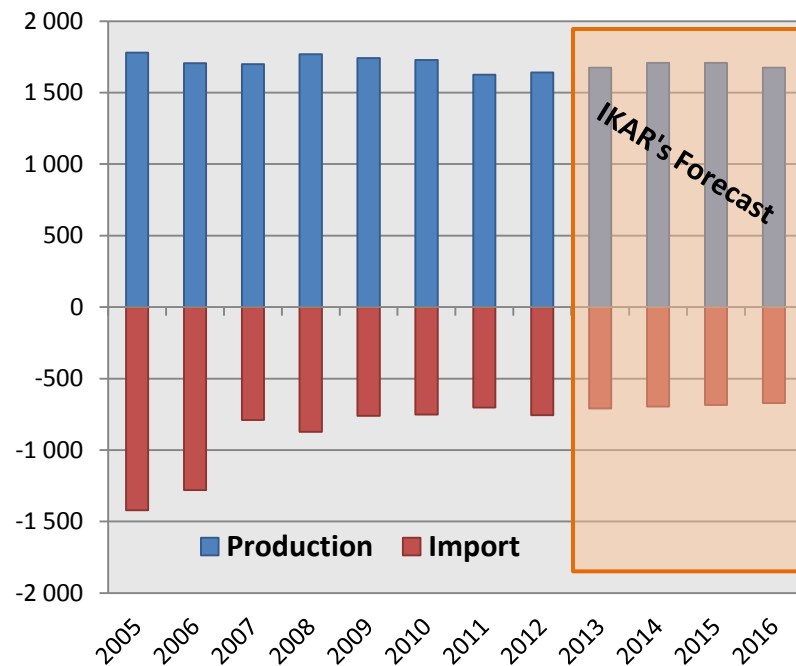
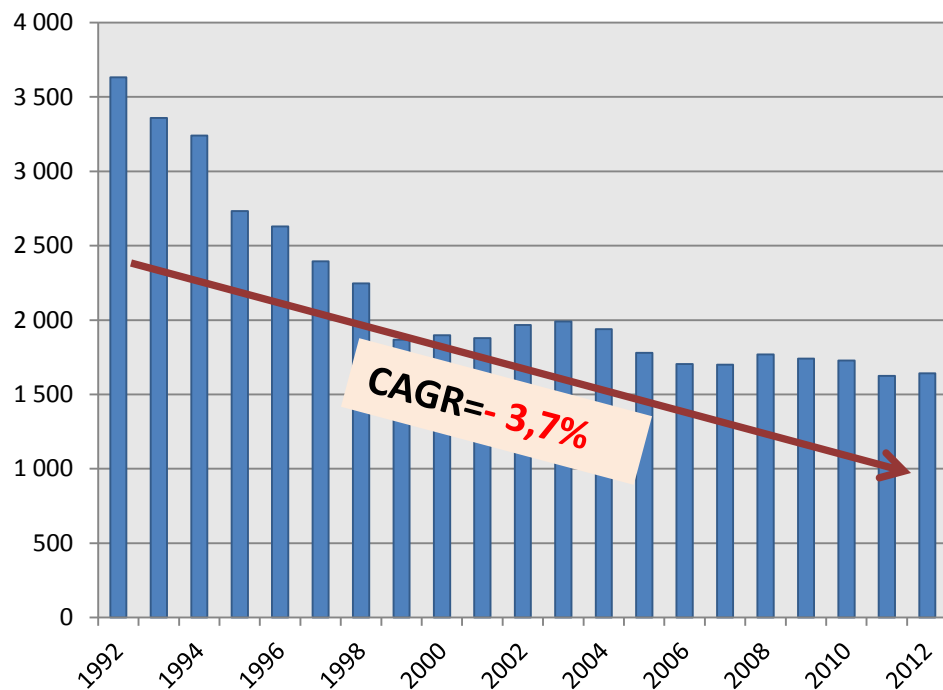
Structure of a meat production in Russia by year



Cattle herd over the last twenty years

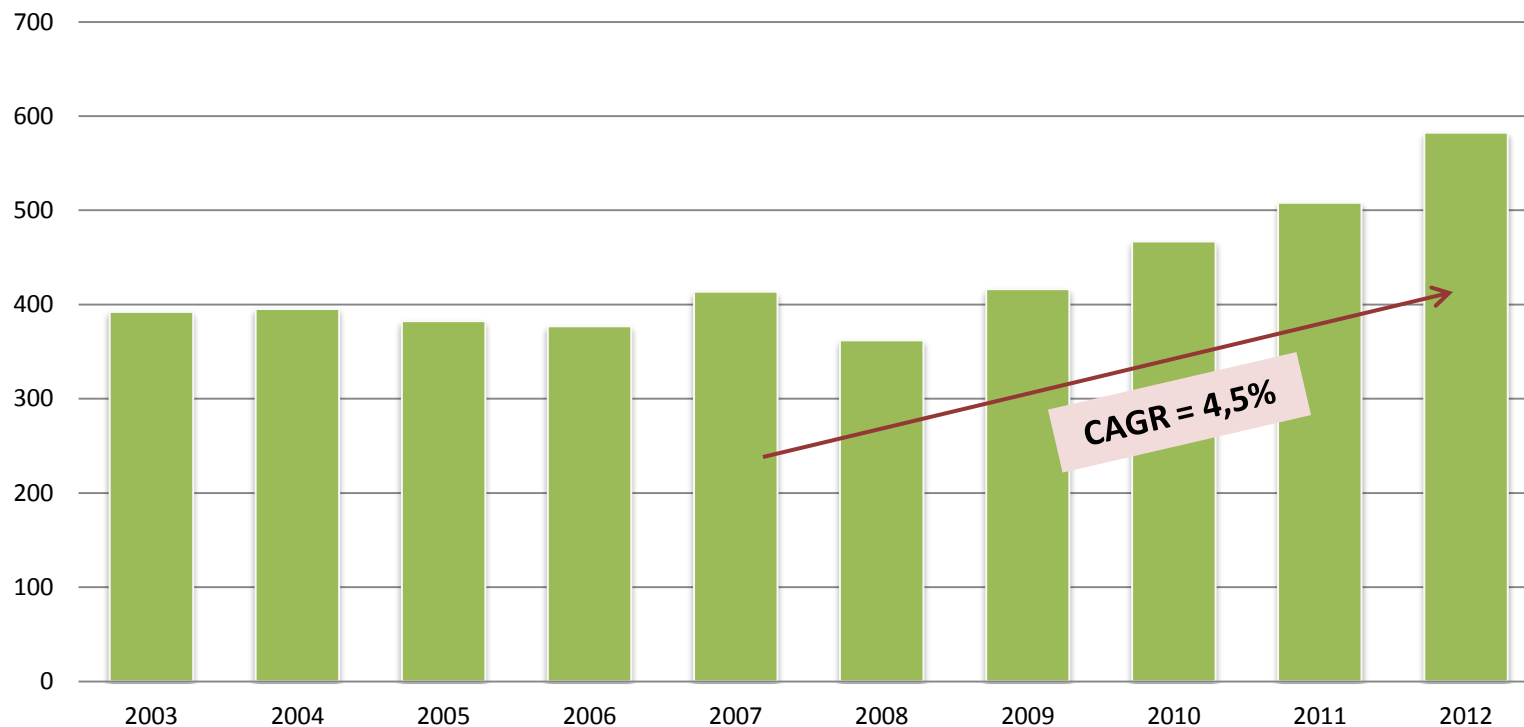


Beef production and import in Russia



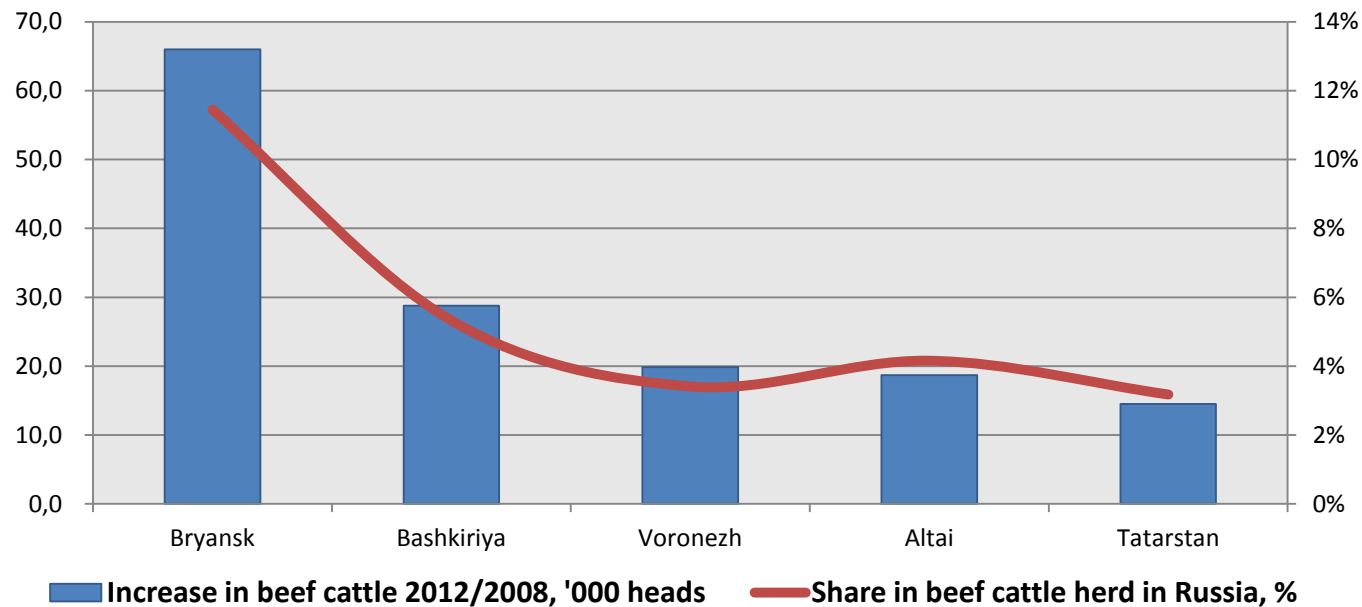
Beef cattle sector in Russia

Beef cattle, '000 tonnes



Beef cattle sector in Russia

Main regions in beef cattle herd in Russia



Government support

**Budget expenses for animal breeding – 15.8 US\$ bn
(2013-2020)**

Main goals:

- Growth in production of livestock and poultry – from 12 to 14 mln. tonnes (live weight);
- Increase in capacities for slaughtering and primary processing – by 2,15 mln. tonnes;
- Rising meat consumption – from 69 to 73 kg/capita/yr ;
- Milk production growth to 38,2 mln. tonnes (by 20% higher than in 2012)



Government support to beef cattle

Budget expenses for beef cattle 2,1 US\$ bn (2013 – 2020)

Expected results:

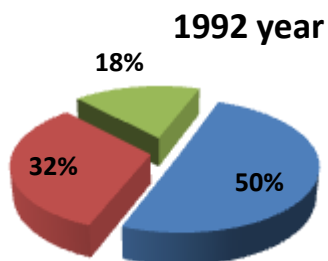
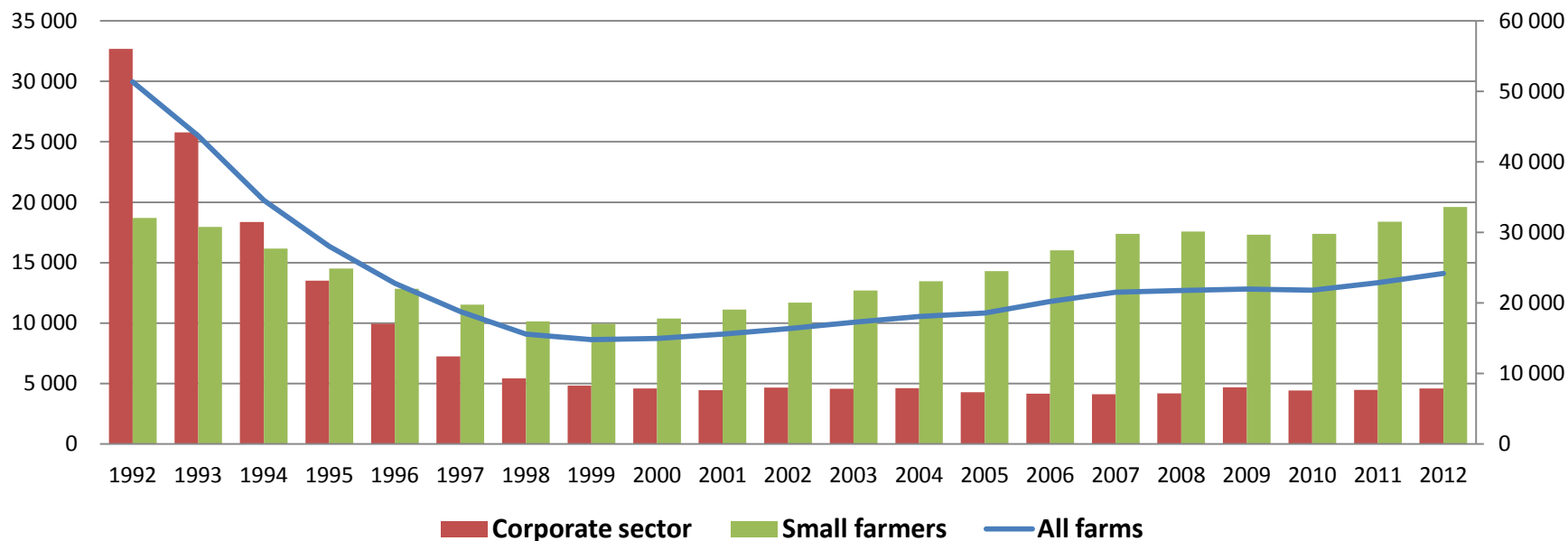
- Growth in beef cattle herd by 1,6 mln. heads (from 1,9 to 3,5 mln. heads) from 2012 to 2020 yr.
- Beef import substitution

Foreground issues:

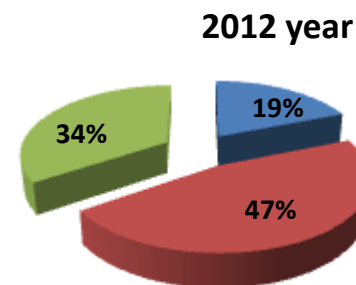
- Development of breeding base of beef cattle
- Support of regions development programs (local)
- Subsidization of interest on investment loans for beef cattle sector

Significant changes in sheep and goat herd in Russia

Sheep and Goat in Russia, '000 heads

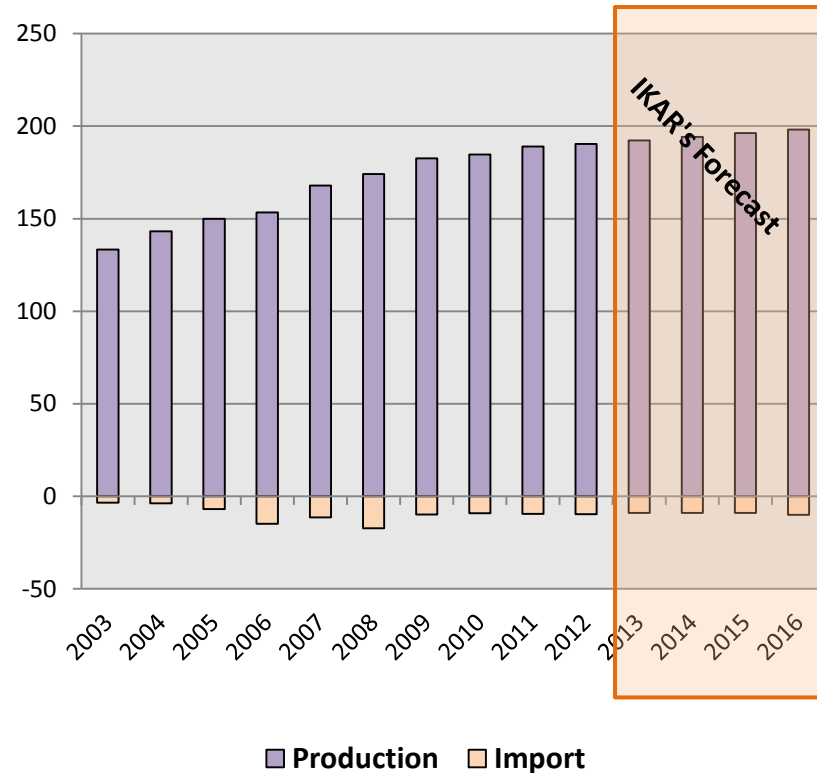
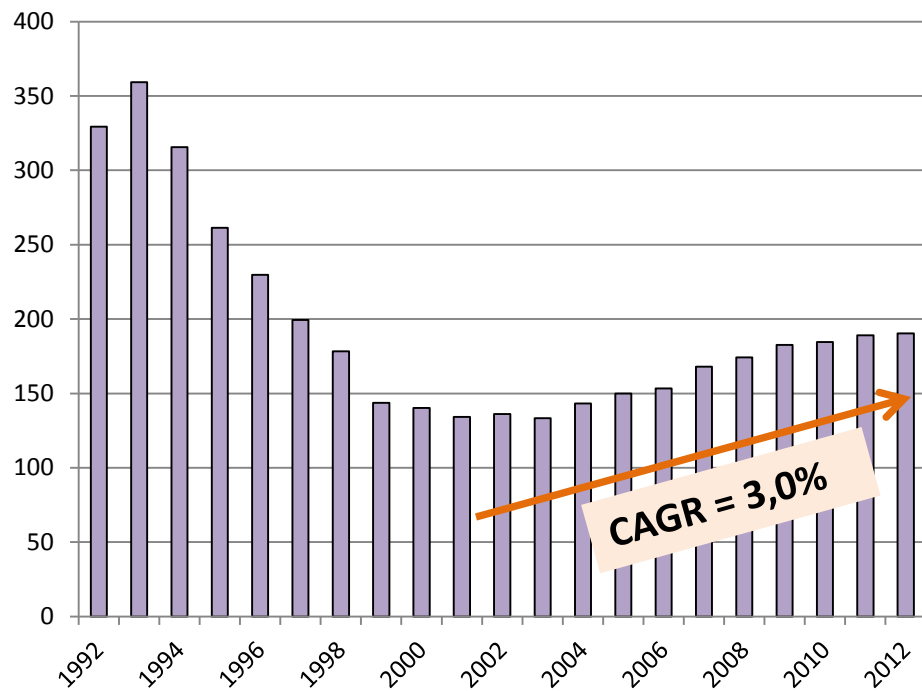


■ Corporate sector
■ Small farms
■ Subsistence



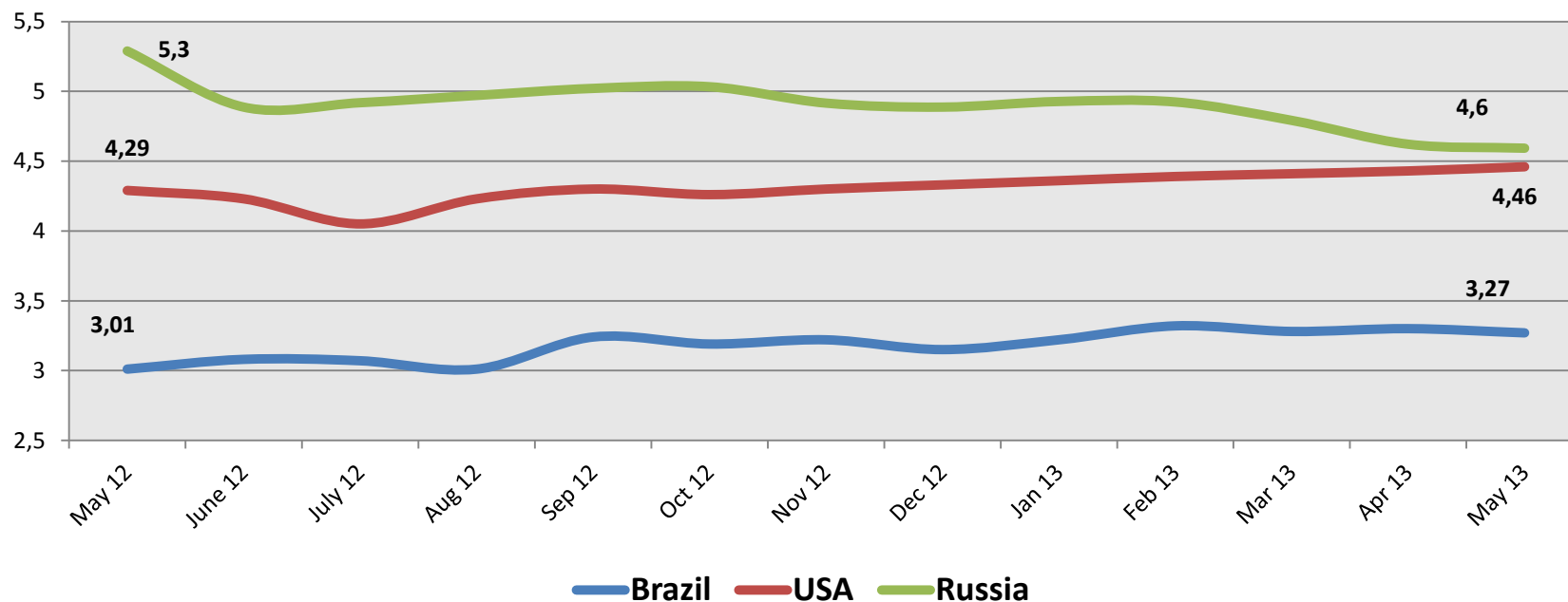
■ Corporate sector
■ Small farms
■ Subsistence

Lamb&mutton production and import in Russia

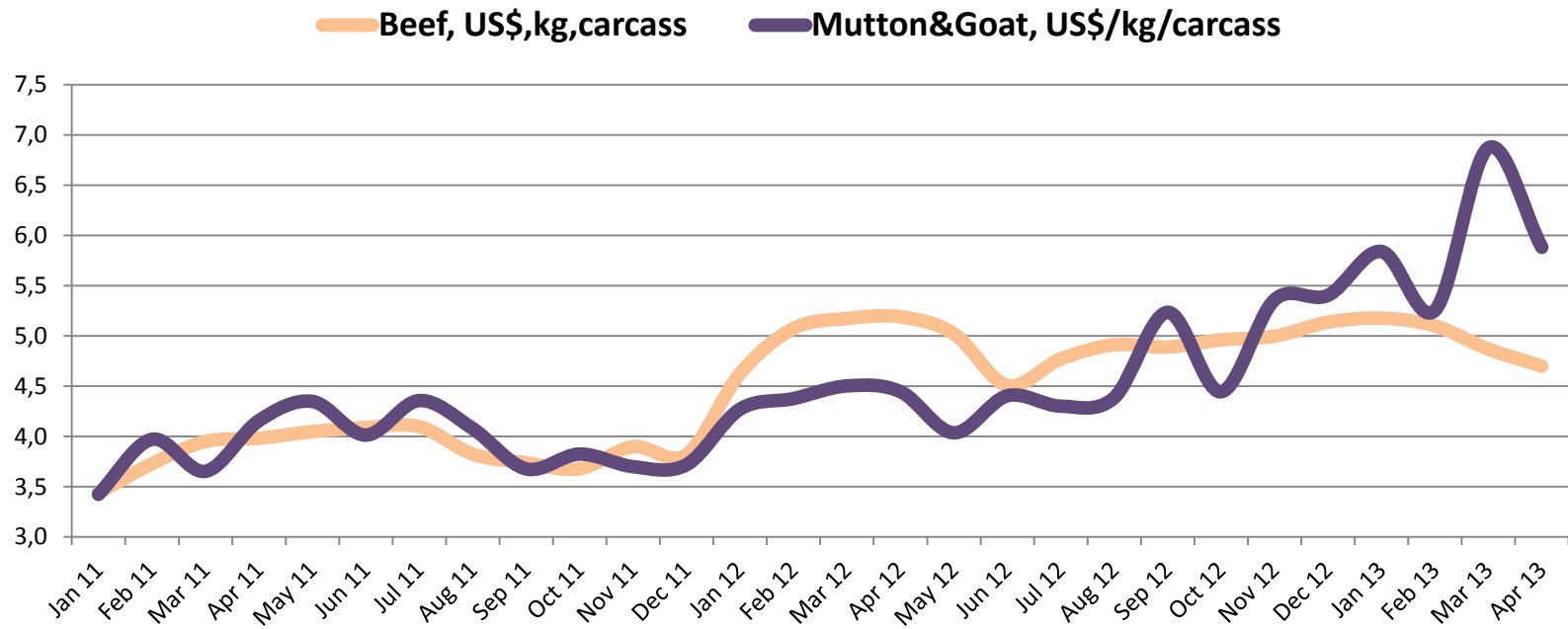


Beef prices in the world

Beef carcasses procurement prices, US\$/KG



Beef and sheep prices in Russia



Conclusions

- Beef and sheep meat stop being popular among people due to high prices in comparison with pork and poultry
- Production will increase not more than 1% per year
- Beef and sheep sector needs in government support



Thanks for your attention!