

Putin Presses for 'Full-Cycle' Farming

By [Anatoly Medetsky](#)

January 31, 2012



Putin talking with sportsmen on a visit Tuesday to a school for disabled children in Tambov, southeast of Moscow. **Alexei Druzhinin**

Prime Minister Vladimir Putin said Tuesday that the government should introduce incentives for an increase in dairy production as imports grow.

He made the statement at a meeting in Tambov a day after Singapore's Olam International announced a joint venture with a Russian partner to create a leading international dairy producer.

The government must be more active in supporting "full-cycle" dairy farms that do everything from growing cattle feed and raising cattle to producing milk, Putin said.

"It is now one of the key goals of cattle-breeding development," he said.

Putin offered no specifics about potential stimulus measures. He has stepped up his trips to the regions to visit new plants and discuss economic support measures in the run-up to the

presidential election next month, which he hopes to win.

Russia, he said, produced 32 million tons of milk last year, down from 56 million tons in 1990, when it was part of the Soviet Union.

Production has been stable in the past few years, sliding slightly in 2010 because of a harsh drought that year. Putin said low-priced imports were suppressing the local industry.

Belarus is a key exporter of dairy products to Russia.

Full-cycle farms must also incorporate beef production, Putin said.

This approach helped Russian farmers in areas such as poultry farming, he added.

Putin later inspected a poultry farm that opened in November thanks, in part, to federal funding. Built at the cost of 8.5 billion rubles (\$274 million), Inzhavinskaya Farm will produce 100,000 tons of chicken meat in live weight per year, contributing to the first ever oversupply of the product in Russia, anticipated this year. The farm is a unit of the privately-held Prioskolye Company, controlled by Gennady Bobritsky.

Prioskolye ranked as the top poultry producer in Russia in 2010 with 15 percent of the market.

Putin reassured farmers that the country's pending entry into the World Trade Organization would not cause the government to slash its agricultural subsidies immediately. This year, he said, the federal budget earmarked 170 billion rubles (\$5.6 billion) in support measures, while WTO accession terms allow Russia to spend as much as \$9 billion to that end.

"There's some potential," he said. "We need to calculate the situation and, perhaps, add spending somewhere."

Myronivsky Hliboproduct, a Ukrainian poultry producer, said its chicken-meat production rose 7 percent last year as the company boosted the efficiency of its facilities, Bloomberg reported.

Chicken-meat production rose to 384,000 tons in 2011, the company said in an e-mailed statement on Tuesday. Domestic demand for poultry remained high, the Kiev-based company said.

Exports of chicken meat in 2011 rose 80 percent compared with the year-earlier period and accounted for 10 percent of all chicken-meat sales, according to the statement. Myronivsky Hliboproduct opened new export markets and began sales to Libya, Lebanon, Uzbekistan, Angola and other countries, it said.

Original url: <https://www.themoscowtimes.com/2012/01/31/putin-presses-for-full-cycle-farming-a12291>