Strategic directions of export-import agrarian policy in the context of global challenges

V Chekalin†, A Serkov† and M Kharina†

† Federal Research Center of Agrarian Economy and Social Development of Rural Areas - All Russian Research Institute of Agricultural Economics, 35, building 2 Khoroshevskoe highway, Moscow 123007 Russia

E-mail: checkalin@gmail.com

Abstract. Agriculture is one of the priority sectors of the Russian economy. Along with the important social significance of the agricultural sector, its role in ensuring the growth rate of the economy as a whole and the foreign economic activity of the country is increasing. At the same time, the development of the agricultural sector is under the influence of both global and internal challenges. As a result of the study, it was found that the current level of differentiation of the population in terms of income and, accordingly, the level of food consumption retain the potential for the development of domestic agriculture due to domestic demand. More than that, they are subject to the growth of household income and the reduction of inequality. As this task is accomplished, the possibility of supplying food for export will become increasingly important for the development of the industry. At the same time, measures will be required to regulate agriculture as part of the industry development programs developed for the upcoming period, which would reduce the risks associated with climate change and adverse weather conditions, technological threats, and a number of others.

1. Introduction

One of the leading directions of economic policy, including agrarian, in accordance with the Decree of the President of the Russian Federation dated May 7, 2018 “On the national goals and strategic objectives of the development of the Russian Federation for the period up to 2024,” include a further increase in export potential and a more active presence on the market [1].

In recent years, agri-food products have significantly strengthened their position in the country's foreign trade turnover. In its structure, exports of food products and agricultural raw materials (other than textile) came in fifth place after mineral products, chemical products, metals, machinery, and equipment, while imports declined significantly (almost 2 times).

Such dynamics became possible as a result of the relatively high rates of the industry development over the last five years, including the implementation of measures of technical and technological modernization in a number of sub-sectors of agriculture, as well as a set of measures related to overcoming the effects of sanctions imposed on Russia by the United States and some other Western countries [7, 8].

At the same time, there are a lot of both internal and external factors that hold back the development of Russia’s agrarian sector at a higher rate, ensure the country's food security, and increase export potential.
Therefore, on the basis of an assessment of the current socio-economic situation of the industry, possible risks, and threats, it is very important to formulate strategic directions for the development of the agricultural sector aimed at solving a dual problem: ensuring the country's food security and conducting an active export policy.

Thus, the formation of a more rational model of agricultural development, which meets both the modern requirements of ensuring food independence, and is aimed at achieving long-term goals, including as one of the areas, which is increasing agricultural exports.

2. Data and Methods
The study used official data from the Federal State Statistics Service, the World Bank database, information from the Russian Government and the Ministry of Agriculture of the Russian Federation, and other official sources. The following research methods were used: statistical groupings, a comparative analysis, an expert assessment method, a design-constructive method.

3. Results and Discussion
Agriculture is developing at a fairly high pace. Over the period 2012-2017, agricultural production increased by almost 15 percent, while GDP growth was about 5 percent. Under these conditions, it was possible to achieve the threshold values of the Doctrine of Food Security of the Russian Federation for all major types of products, with the exception of milk and dairy products (Figure 1).

![Figure 1. The specific weight of domestic agricultural, fishery products and food in the total volume of commodity resources (taking into account carryover stocks) of the domestic market of relevant products.](source)

Source: Rosstat, National Report on the Progress and Results of the Implementation in 2017 of the State Program for the Development of Agriculture and Regulation of Agricultural Products, Raw Materials and Food Markets for 2013-2020 [9, 2]

In terms of food independence, it is necessary not only to achieve the country's average level of food consumption in structure and volume close to rational norms, but also it is of the highest importance to ensure access of all citizens, regardless of their income level, to good nutrition [6].

In turn, this means that a complex problem should be solved in the country, including increasing agricultural production, optimizing the volume of imports of certain food products, and, most importantly, raising incomes of the population to a level sufficient for healthy nutrition. Thus, this problem becomes sectoral and macroeconomic, covering all major sectors of the country’s economy.

At present, food consumption on average in the surveyed households is close to rational norms for bread and bread products, fish and fish products, and above rational standards for sugar and confectionery, meat and meat products (Table 1). However, for such types of products as vegetables
and melons, fruits and berries, milk and dairy products, as well as eggs, consumption remains significantly below the level of a healthy diet that meets modern requirements.

Especially significant are the differences on this indicator when it is estimated by decile groups depending on the level of average per capita disposable incomes of the population, in terms of consumption of vegetables, fruits, meat and meat products, milk and dairy products, eggs, fish and fish products.

Therefore, with the growth of household incomes, increasing the production of domestic agricultural products and foodstuffs will cover both increasing consumer demand and, under the condition of increasing competitiveness, force out imported goods from the market, of course, to the extent that the product range is preserved.

In recent years, in the context of sanctions confrontation with individual Western countries, the ratio of export-import operations with agricultural raw materials and food has changed significantly [12]. The volume of imports of food products and agricultural raw materials decreased from 43.3 billion dollars in 2013 to 28.7 billion dollars in 2017.

**Table 1.** Consumption of food depending on the level of average per capita disposable income on average per consumer per year, kg. (2016)

| Types of products          | All households | First decile group (lowest income) | Tenth decile group (highest income) | The tenth group to the first, % | Recommended rational consumption of food products |
|----------------------------|----------------|------------------------------------|-------------------------------------|---------------------------------|-----------------------------------------------|
| Bread and bread products   | 99             | 91,5                               | 99,5                                | 109                             | 96                                            |
| Potatoes                   | 60             | 53,9                               | 60,8                                | 113                             | 90                                            |
| Vegetables and gourds      | 105            | 66,2                               | 133,9                               | 202                             | 140                                           |
| Fruits and berries         | 73             | 37,3                               | 103,1                               | 276                             | 100                                           |
| Meat and meat products     | 88             | 54,6                               | 110,3                               | 202                             | 73                                            |
| Milk and dairy products    | 273            | 175,9                              | 334,9                               | 190                             | 325                                           |
| Eggs, pieces               | 229            | 165                                | 276                                 | 167                             | 260                                           |
| Fish and fish products     | 22             | 13,3                               | 26,9                                | 202                             | 22                                            |
| Sugar and pastry           | 33             | 24,7                               | 34,8                                | 141                             | 24*                                           |

Source: Rosstat, Order of the Ministry of Health of the Russian Federation of August 19, 2016 No. 614 "On approval of Recommendations on rational norms of food consumption that meet modern requirements for healthy nutrition", authors' calculations [8,4].

*sugar

The balance of foreign trade in agricultural raw materials and food decreased from $27 billion to $8 billion. At the same time, it should be noted that imports in 2017 (compared to its size in the previous year) increased again by almost 3.8 billion USD (Figure 2).

At the same time, exports of foodstuffs and agricultural raw materials continue to grow, and in 2017 it reached $20.7 billion, or 21% more than in the previous year.

The interaction of Russia in the framework of the Eurasian Economic Union (EAEU) and the development of a common market for agricultural products and food, as well as our country’s participation in international integration forces, including the Asia-Pacific Economic Cooperation, BRICS, Shanghai Cooperation Organization, is becoming an increasingly important factor in foreign economic activity [5].

In 2017, the volume of foreign trade in agricultural raw materials and food of the EAEU member states amounted to $50.9 billion, i.e. an increase of 17.0% compared to 2016 ($7.4 billion). At the
same time, the total volume of mutual trade in food products and agricultural raw materials amounted to $8.2 billion, i.e. 14.8% ($1.1 billion) more than in the previous year [9, 13].

As a result, quite favorable conditions are created for further increasing the export potential both in terms of the range and volume of products, as well as expanding the sphere of presence of Russian agricultural products and food in the world market. To this end, the EAEU has to implement a wide range of organizational and economic measures aimed at deepening integration processes in the agro-industrial complex of the Union, including such as developing a general scheme of territorial and sectoral division of labor, bringing together certain elements of agricultural policy, implementing measures to develop interstate cooperation, the creation of joint agro-industrial enterprises and clusters, the promotion of agricultural producers associations and a number of other.

At the same time, the target volume of exports of agricultural products and food can be the level of $45 billion, indicated in the Decree of the President of the Russian Federation of May 7, 2018 “On the national goals and strategic objectives of the development of the Russian Federation for the period up to 2024” [1].

In the future, one of the strategic objectives can be considered a transition to settlements in national currencies with the mutual supply of agricultural products and food.

At the same time, it is necessary to take into account that the intensification and expansion of foreign economic activity will be complicated by the influence of challenges and threats caused by global and internal risks.

It is necessary to take into account the impact of climate change on the global economy, agricultural production, and the agri-food market. In terms of agriculture in Russia, these changes will affect the zonal distribution and specialization of production, require the formation of a system of adaptation to new conditions, technical and technological solutions, the development and use of a set of economic mechanisms ensuring sufficient stability of the functioning of the agro-industrial complex in a changing world. Thus, it became necessary to develop a weather risk management system as an integral part of the strategic planning of the industry.

In recent years, external political and economic threats have become increasingly influential. However, the challenges associated with increasing competition in world markets, in particular, grain, as well as other agricultural products, will acquire no less importance, which will complicate the development of export activities and, accordingly, affect the pace of development of individual sub-sectors of agriculture.

The International Economic Forum, analyzing global risks associated with the economy, environment, geopolitics, social, and technological, places natural, climatic and technological risks first in terms of the likelihood of realization [11].
Among the internal challenges associated with global processes, it is necessary to note the need for technical and technological renewal of both agriculture and food industry, which directly affects the competitiveness of products produced in both Russian and global markets.

Global and domestic challenges will have a moderating effect on agricultural development. According to the World Bank, the growth rate of value added in agriculture in 2012–2016 was, on average, 2.5 percent worldwide, 3.9 percent in China, 2.9 percent in the United States, and 2.2 percent in Russia [10].

In the State Program for the Development of Agriculture and Regulation of Agricultural Products, Raw Materials, and Food Markets for 2013-2020, the growth rates of production for the period 2018-2020 are planned at 1.7-2.1 percent [3]. At the same time, calculations show that to achieve the necessary level, it will be necessary to increase their production as a whole by about 1.3-1.4 times.

In many ways, the response to internal and external challenges will depend on the socio-economic policy regarding the development of rural areas, increasing the profitability of agricultural producers, and the welfare of the population. It is necessary to significantly increase the profitability of rural labor, the pace of social development of rural areas, and to pursue a policy of spatial development of the previously abandoned agricultural land.

All these measures are to be included in strategic documents reflecting the development of agriculture and rural areas for the period up to 2025-2030.

4. Conclusions
Russian agriculture has a significant growth potential. However, its development will be limited under the influence of global and internal challenges. Overcoming these challenges should be laid down in the measures regulating agriculture, as part of the industry development programs developed for the upcoming period.

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