

# Competing on the Markets of Russia, Ukraine and Belarus

For Serbia Agribusiness Project

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# Key Facts

- Combined consumer base of 200mn people
- All three countries are net importers of fruits & vegetables
- Russia is among top three major fruit & vegetable importers in the world

## However

- Russian food safety requirements are much stricter than these in the EU
- Russia is not a member of WTO and can change import regulation according to its needs
- Russia's trade regulation decisions are impossible to predict



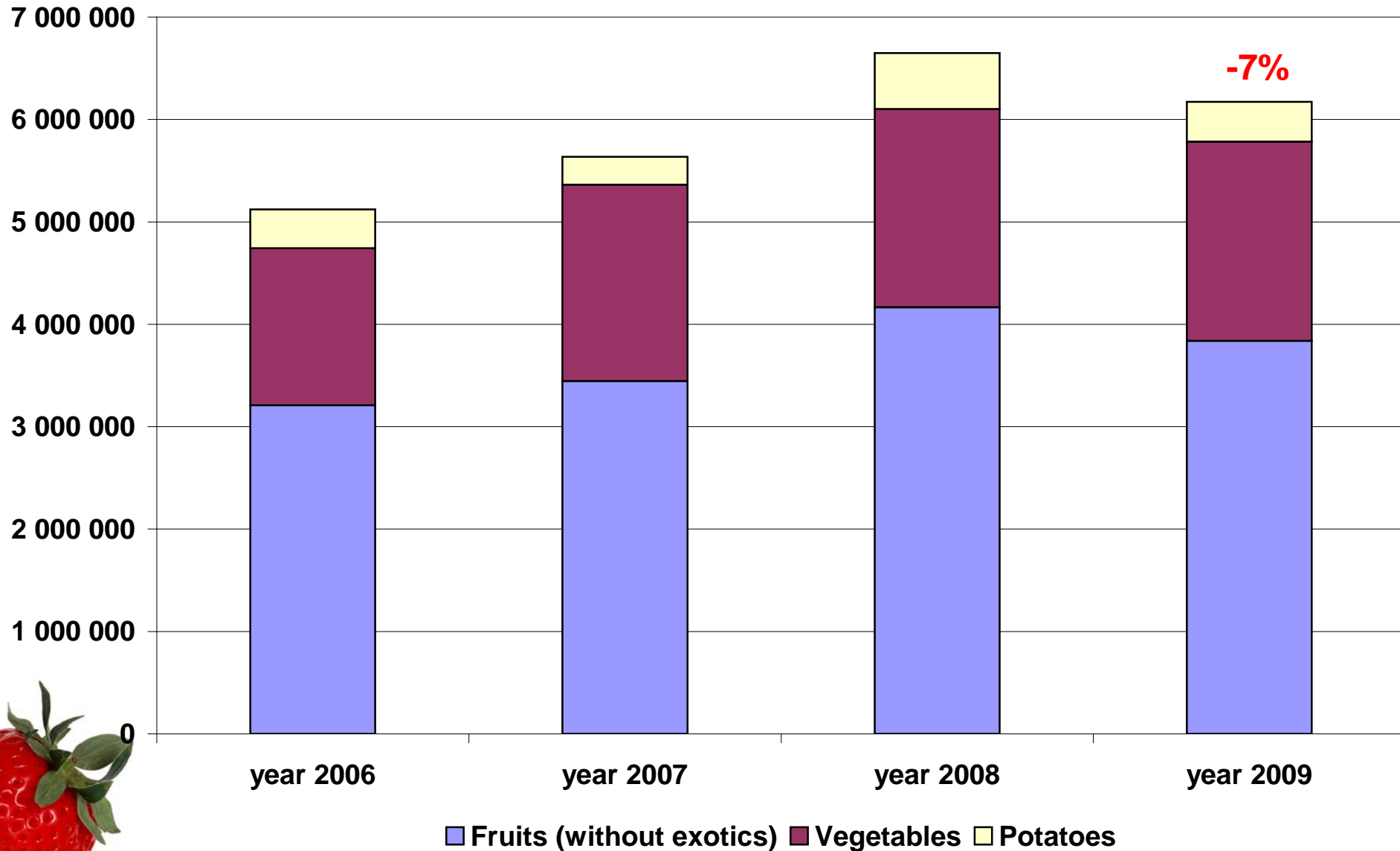
# Key Facts (continued)

- Russia, Ukraine and Belarus are rapidly developing their own production of F&V (5-7% increase every year)
- Consumption of fruits has dropped 10% due to the crises and is not recovering yet
- Competitiveness of local produce increased due to devaluation of local currencies by 25-45%
- Supplying any fruits & vegetables to Belarus is difficult due to local market protection
- Ukraine is a very price sensitive market

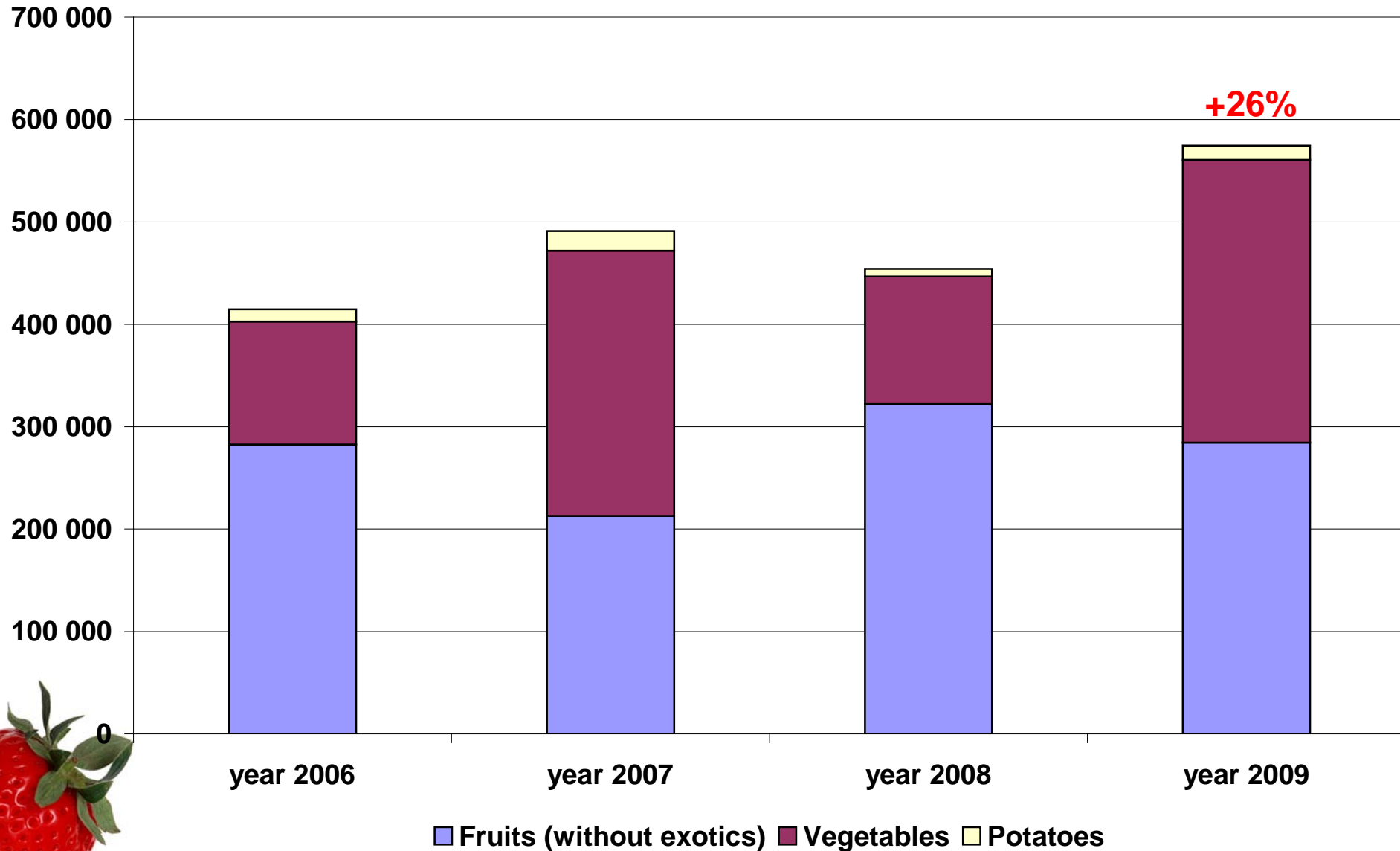
Still, Serbia should take advantage of basically free trade agreement with Russia (1% duty while others in the EU pay 30-50%)



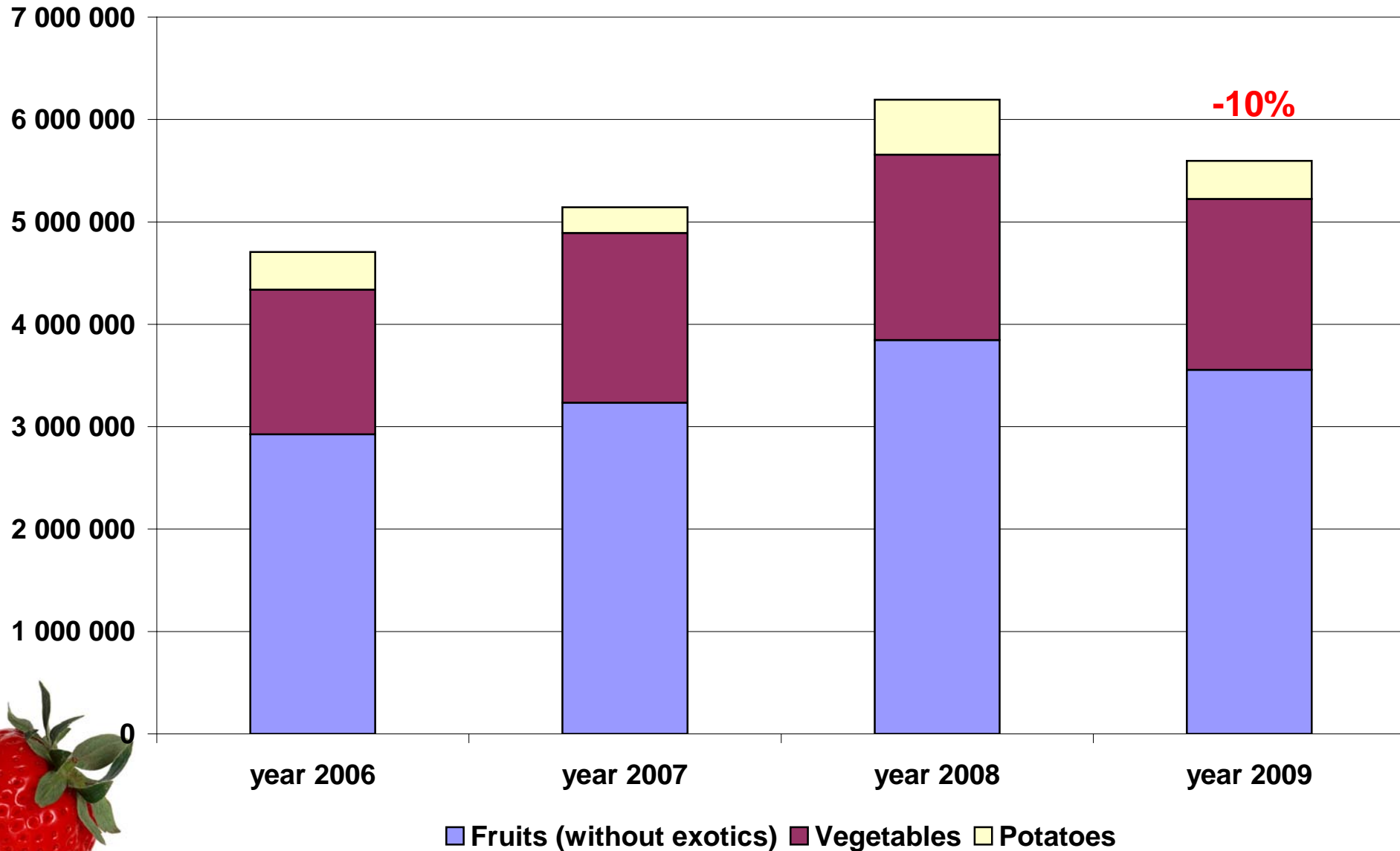
# Imports of F&V to Russia & Ukraine



# Imports of F&V to Ukraine



# Imports of F&V to Russia



# Important trends to watch

- Growing overproduction of apples in the EU (stocks today 3% higher than all-time record stocks a year ago)
- Rapidly growing apple production in Eastern Europe (second largest buyer Ukraine will be a net exporter in 5 years)
- Good opportunities for soft fruits (such as sweet cherries) & plums
- Possible accession of Russia to WTO (greater competition)



# Hvala!

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