

# Poultry goods take lion's share

Experts at UN Food and Agriculture Organisation (FAO) issue bi-annual report on global eating habits and food prices, with no hint of catastrophe and good forecasts for corn harvest in Argentina, and for dairy market in Asia, alongside increased poultry volumes

By Marina Shumilo

Last year, the world saw a record cereal crop of over 2.8 billion tonnes. This season, it hardly seems possible to break the record, with volumes likely to fall by 1.4 percent. However, countries within the Customs Union are raising standards, with the Russian Ministry of Agriculture asking for a 2014 harvest of 95 million tonnes of grain crops (against 90 million tonnes in 2013). Belarus is aiming for 9 million tonnes (against last year's 7.6). Kazakhstan agrarians earn almost \$1 billion a year from wheat exports but are reducing crop areas.

Despite natural and political cataclysms, countries continue to sell foodstuffs, with world spending on food expected to remain stable, at \$1.29 billion. However, increased volumes of trade and rising costs are raising the price of meat products. At the recent First Forum of Regions



The new poultry plant with a capacity of 18,000 tonnes a year was put into operation in the Mogilev Region

of Belarus and Russia, held in Minsk, 'import' issues were discussed repeatedly. The Chair of the Federation Council at Russia's Federal Assembly, Valentina Mat-

vienko, notes rather pessimistically that countries within the Customs Union are yet to provide fully for domestic food needs, having to import a third of all

consumption, at a cost of \$45 billion annually. This dependence is especially acute in Russia, affecting sustainable development. However, those within the

Eurasian Economic Union may be able to overcome these difficulties, via 'internal' trade in the spheres of agriculture and industry.

China is the leading

exporter of meat, in particular pork, but rising agro-expenses are making its produce less competitive, as noted by the USA's Ministry for Agriculture. Eastern countries are consuming more meat, as noted last year, when the largest Chinese manufacturer of pork, Shuanghui International (now known as WH Group), purchased American Smithfield Foods for \$4.7 billion. What does this mean for meat producers around the world? Chinese investors are eager to invest elsewhere globally, merging companies to gain advantage.

This year, livestock production is expected to grow, with 311.8 million tonnes of meat sold worldwide. This reflects growth in developing countries and is yet to meet expanding world demand. Analysts believe that trade in beef and poultry will expand, while that in mutton and pork will fall. Poultry is set to comprise 43 percent of the 'meat basket'.

## Work lies ahead

Belarus invites China to consider multilateral co-operation across several projects — including those dealing with transportation, trade and logistics



Chinese guests at the meeting in Minsk

By Vladimir Khromov

The proposal has been put forward by the Belarusian Prime Minister, Mikhail Myasnikov at his meeting the First Deputy Minister of Commerce of the People's Republic of China and Co-chair of the Belarus-China Commission for Trade and Economic Co-operation, Zhong Shan, in Minsk. "Our Government and partners from Kazakhstan, Turkmenistan and Mongolia have already discussed possible logistical schemes that could facilitate

China's co-operation with European countries, including Western Europe," Mr. Myasnikov said. In addition, he deems it necessary to discuss the implementation of Chinese-Belarusian-Russian joint projects, "We maintain close ties with the Russian Federation. Industry dominates our bilateral liaisons and, therefore, we could consider Belarus' participation in Chinese-Russian projects."

The PM noted that Belarus highly appreciates existing Chinese-Belarusian

co-operation and views it as successful and dynamic. The partners have already started implementing agreements reached on the high and highest levels. However, Mr. Myasnikov believes that our two countries could have achieved even more if economic operators, the companies and banks of Belarus and China, established closer ties. In his words, we jointly implemented about 20 projects, with the total cost of approximately \$5.5bn.

Meanwhile, the Belarusian side has raised the topic of opening a new credit line. "We have virtually started the realisation of major systemic projects. These primarily include the Chinese-Belarusian Industrial Park and the construction of a factory to produce BelGee cars," the PM noted. With this in mind, Mr. Myasnikov believes the partners need to harmonise new approaches to co-operation. Belarus has already considered the operation of Chinese banks in Belarus and projects in trade, transportation and logistics are also on the agenda.



One of infrastructure objects of the Dnieper-Bug waterway

## In line with trans-boundary co-operation programme

Anastasiya Shoplya

### Restoration of waterway between Black and Baltic seas via Belarus to begin next year

Belarus intends to work together with Ukraine and Poland to restore the water transport connection that will relink the Black Sea to the Baltic Sea. The meetings in Pinsk, Brest and Lublin were held to discuss this issue. A special commission has been set up and a specification of requirements has been worked out, which has already been confirmed as compliant with European standards.

The feasibility study will be ready soon. "The document will then be submitted to international organisations and to governments of the countries concerned. We hope that we will make the transition from planning to construction," noted Sergey Zubko, the Deputy Director General of Dneprbugvodput enterprise. An international tender has been already arranged, and a general contractor is being sought.

Mr. Zubko underlined that the implementation of this project will allow Belarusian water transport companies to switch from local transportation to international transportation. It will be possible

to use river transport to carry construction cargo and containers, while also expanding passenger transportation services. "This future is now not as distant as it seemed to us in the past," added Mr. Zubko.

The project to restore the water transport connection E-40 that will link the Black Sea and the Baltic Sea is to be financed by the European Union. The project is being implemented in line with the programme for trans-boundary co-operation of Ukraine, Poland, and Belarus in 2008-2013. According to preliminary estimates the project's budget will be close to 1m Euros.