

RUSSIAN RESPONSE TO ECONOMIC SANCTIONS: INSPIRING PROSPERITY SHIFT IN AGRICULTURE

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The background

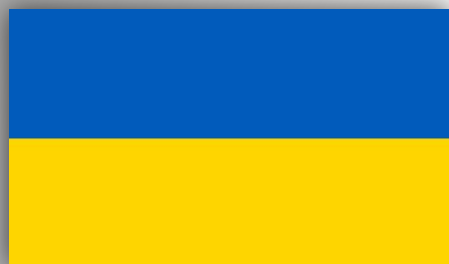
Double-edged
sanctions

Gains in import
substitution

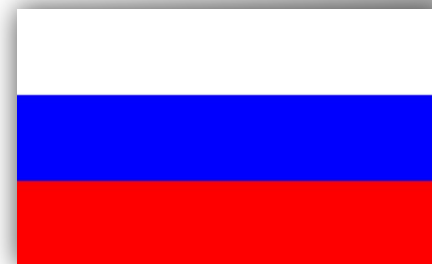
Conclusion

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THE BACKGROUND



political crisis



- Individuals close to the Russian leaders
- Key decision-makers



Counter-sanctions

Date of initiation: August 6, 2014

Referred products: agricultural products, raw material and foodstuffs

States involved: the US, the EU, Canada, Norway, Australia, Albania, Montenegro, Iceland, Liechtenstein

The background

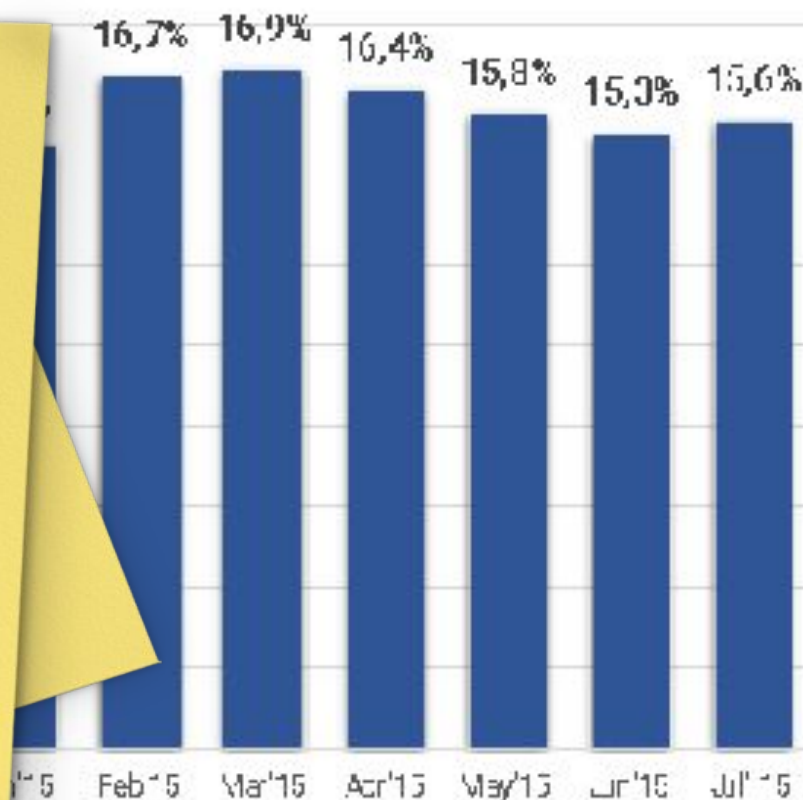
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Russia: Inflation rate from July 2014 to July 2015



Types of products with the fastest rise in prices

- grains and legumes (52.9%),
- sugar (50.5%),
- fruit and vegetables (38%),
- fish and seafood (33%).

<http://www.statista.com/> - The Statistics Portal

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DOUBLE-EDGED SANCTIONS

LOSS OF:

Russia

**Western
countries**

\$30
bn

\$100
bn

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The countries most vulnerable to counter-sanctions:



POLAND



THE USA



FINLAND

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The Countries Hardest Hit By Russia's Trade Ban

Value of sanctioned food exports to Russia (in U.S. dollars)

Poland



\$1,117.29m

Norway



\$1,103.00m

Loss: €1,2 million



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IMPORT SUBSTITUTION GAINS IN AGRICULTURAL SECTOR

AGRICULTURAL MARKET IN RUSSIA



6%
of the GDP



16%
of employees

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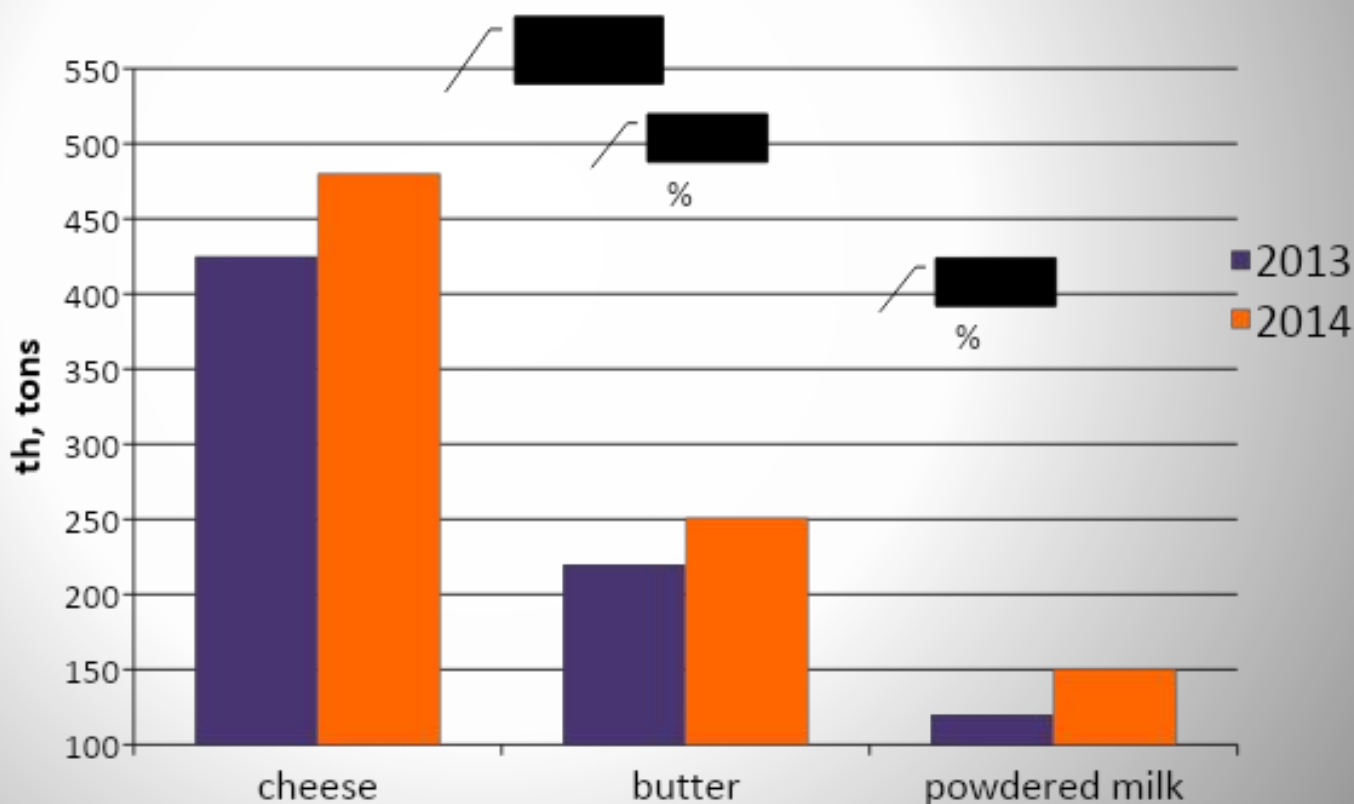
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60-70%

**of substituted
foreign supplies**

The production of dairy products in Russia



<http://www.statista.com/> - The Statistics Portal

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CONCLUSION

- a long-term scenario of import substitution
-  quantity of products
-  quality of products
- competitiveness of Russian products



REFERENCES

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Thanks for your attention!