

Can the Russian greenhouse industry overcome the challenges?

The development of Russia's greenhouse industry has become a well-known fact in the last few years. Analytics argue that 2017 was one of the most successful years for the industry thus far with more than 250 ha of new commercial greenhouses commissioned. This rapid increase resulted mainly from the national policy to make the country self-sufficient in producing fresh produce and provide year-round provision of high-quality produce without the need for imports from the EU, US and other countries.

Given the current situation in the Russian greenhouse industry with the development of latest technologies, implementation of the new import restrictions, customs regulations, indoor cultivation of fresh produce continues to expand. Experts agree that greenhouse growing present various opportunities to reduce investment risks and significantly improve production performance by extending the growing season.

The National Fruit and Vegetable Union estimates that by maintaining the present restrictions and industry's state support, Russia will be able to reach almost 100% of greenhouse vegetables self-sustainability capability by 2020. In addition, Dzhambulat Khatauov, Russia's First Deputy Agriculture Minister, pointed out that the export development will not only help Russian vegetable producers to be more relevant and competitive on the international market, but will also maintain the industry's positive dynamics.

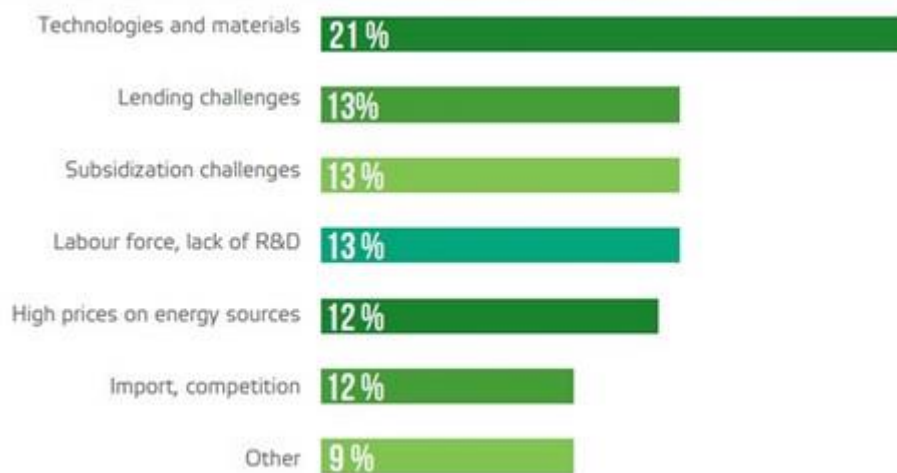
According to the research on the investment potential of the Russian greenhouse industry, conducted by Vostock Capital, the expansion of greenhouse area is expected to continue not only in the leading agricultural regions, namely Krasnodar Krai, Stavropol Krai, Lipetsk region, Bashkortostan and Tatarstan Republic, but also in many other regions across the country, including Moscow region, Astrakhan, Ingushetia. A total of 250 experts – the decision-makers of agricultural holdings and greenhouse complexes, investors, suppliers of advanced technologies and equipment, representatives of regulatory and government authorities and others took part in the



survey and shared their opinions and ideas regarding the perspectives of the Russian greenhouse industry.

Russia's greenhouse sector has been demonstrating the steady economic growth in the past few years as already mentioned. However, it should be noted that success of the greenhouse business, as well as overall industry development, would depend greatly on both effective implementation of cutting edge solutions and technologies, applied in selection, planting, cultivation, gathering, packaging and transportation, and new and more adequate approaches to financing, subsidizing, lending and regulating the sector.

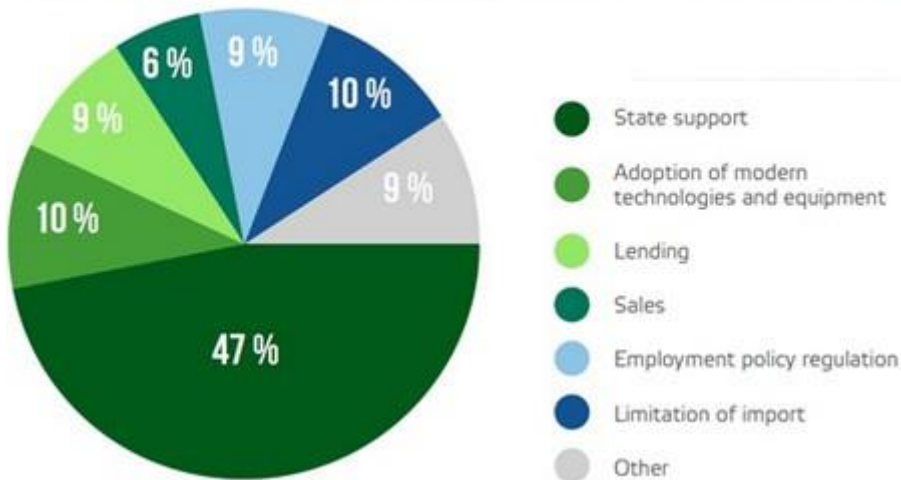
WHAT ARE THE MAIN CHALLENGES AFFECTING GREENHOUSE BUSINESS IN RUSSIA?



The fast pace of the development of the greenhouse industry presents many opportunities for domestic and international companies to introduce their latest innovations and technologies. The level of investment made over the past few years has proved that the effective cooperation between project initiators and service providers can undoubtedly lead to overcoming many challenges and adapting to the increasingly competitive market environment which could potentially affect the development of their business and sector in general.



WHAT CAN BE DONE TO FACILITATE THE DEVELOPMENT OF GREENHOUSE INDUSTRY IN RUSSIA?



The aspects described above were the driver to accumulate all the data and create the comprehensive report on the new investment greenhouse projects to grow vegetables, mushrooms and flowers. For example, Vladimir Vladimirov, the Governor of the Stavropol Krai, has stated that the projects underway will enable the expansion of the greenhouse area in the region by an additional 120 ha.

[All the most promising projects are described in the full list prepared by the Vostock Capital team of analysts.](#)

Among the ongoing projects are:

- Ecoresurs – the project aimed to start the cultivation of tomatoes and cucumbers on the total area of 20 ha;
- Uralpromsnab – a flower-growing project set in Udmurtia is planned to be completed before 2025;
- Agrotehnologii – large-scale project for cultivation of tomatoes, cucumbers, lettuce, eggplants in the Leningrad region, with the estimated value of 3.7 billion RUB;
- Pikalevsky Greenhouse Complex – another cultivation project with the set-up area of 20 ha and lead time 2021;
- AgroInvest – the project located in the city of Magadan with the projected area of 3 ha;



- Chistye Bory Greenhouse Complex – projected area is 6.5 ha; project cost is 1.5 bn RUB;
- Sad-Gigant Ingushetia – construction of a logistics centre with one-time storage capacity of 61k tonnes. The first 36k-tonne phase is completed;
- Eseninsky Agrocomplex – construction of a logistics centre; project cost is 544.3m RUB;
- Basis Agro Logika – construction of A-class logistics centre for storage, processing, and packing of fruit and vegetables; and a lot more greenhouse projects in the field of food storage, processing, and distribution.

The detailed presentation of further development prospects of agriculture in protected ground, as well as flagship greenfield and brownfield greenhouse projects will be discussed within the framework of the third International Forum and Exhibition “Greenhouse Complexes Russia 2018”, which will take place in Moscow, on 5-6 December 2018.

[Update on the potential of the greenhouse industry in the free report.](#)

Lien article : <http://www.hortidaily.com/article/9030789/Can-the-Russian-greenhouse-industry-overcome-the-challenges/>

