

**AGRICULTURE IN THE
REPUBLIC OF ARMENIA
AND THE GOVERNMENT'S VISION
OF THE INDUSTRY'S DEVELOPMENT**

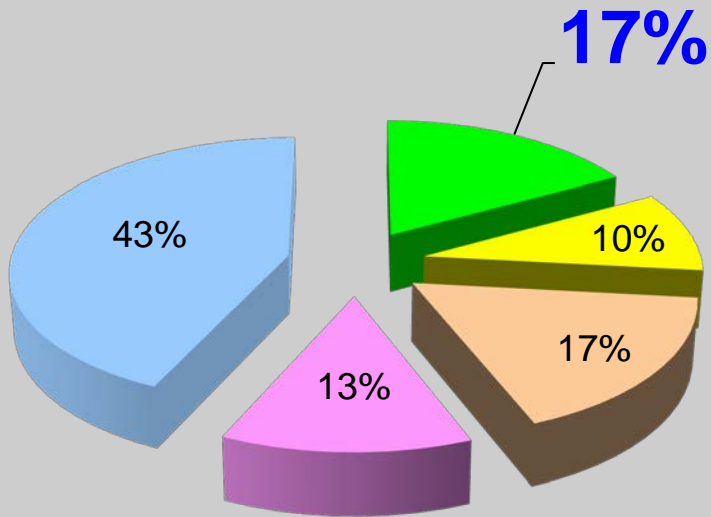
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GENERAL INFORMATION ON AGRICULTURE IN ARMENIA

- **Agriculture is one of the key industries of the Republic of Armenia.**
- **In 2011 the share of agriculture in the country's gross domestic product constituted 20.2%, and together with agroprocessing it comprised 25.9%**

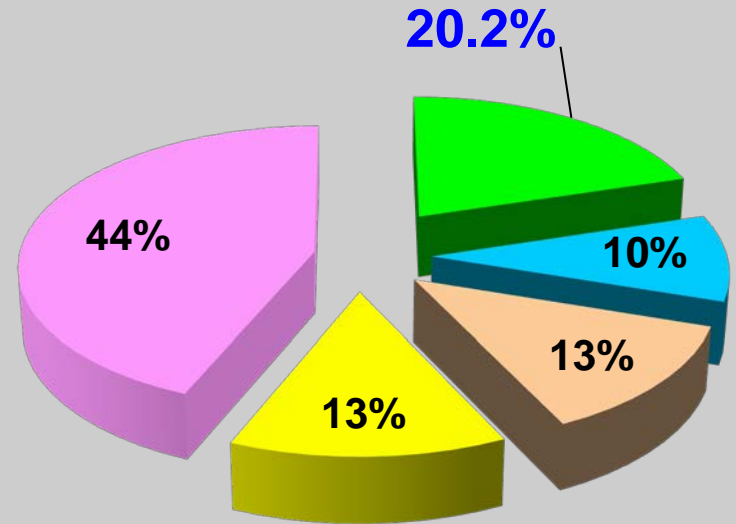
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2010



- Agriculture, forestry and fisheries
- Processing Industry
- Construction
- Wholesale and retail trade
- Other industries

2011



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- **Gross product of agriculture in 2012 comprised AMD 840.4 billion, a 9.5% increase compared to the previous year:**

in crop production: AMD 511.5 billion (+14.0%),
in animal husbandry: AMD 328.9 billion (+3.2%).

The share of crop production in gross agriculture product is 61%, and that of animal husbandry is 39%.

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Agricultural lands in the republic constitute 2052.4 thousand ha, of which 154.4 thousand ha are irrigated.

Arable lands in the republic comprise 448.4 thousand ha (as of July 2012), of which 144.1 thousand ha are not used for their purpose, whereas areas sown comprise 304.2 thousand ha. Thus, intended purpose use of arable lands constitutes 67.8%.

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- **There are about 340,000 farms in the Republic of Armenia, with average agricultural land area per farm comprising about 1.4 ha, of which 1.1 ha is the arable land**
 - **Crop production is implemented on 1.2 million fragmented land plots**

- **About 457.4 thousand people are employed in agriculture, comprising**
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38.9 % of total employment in the country

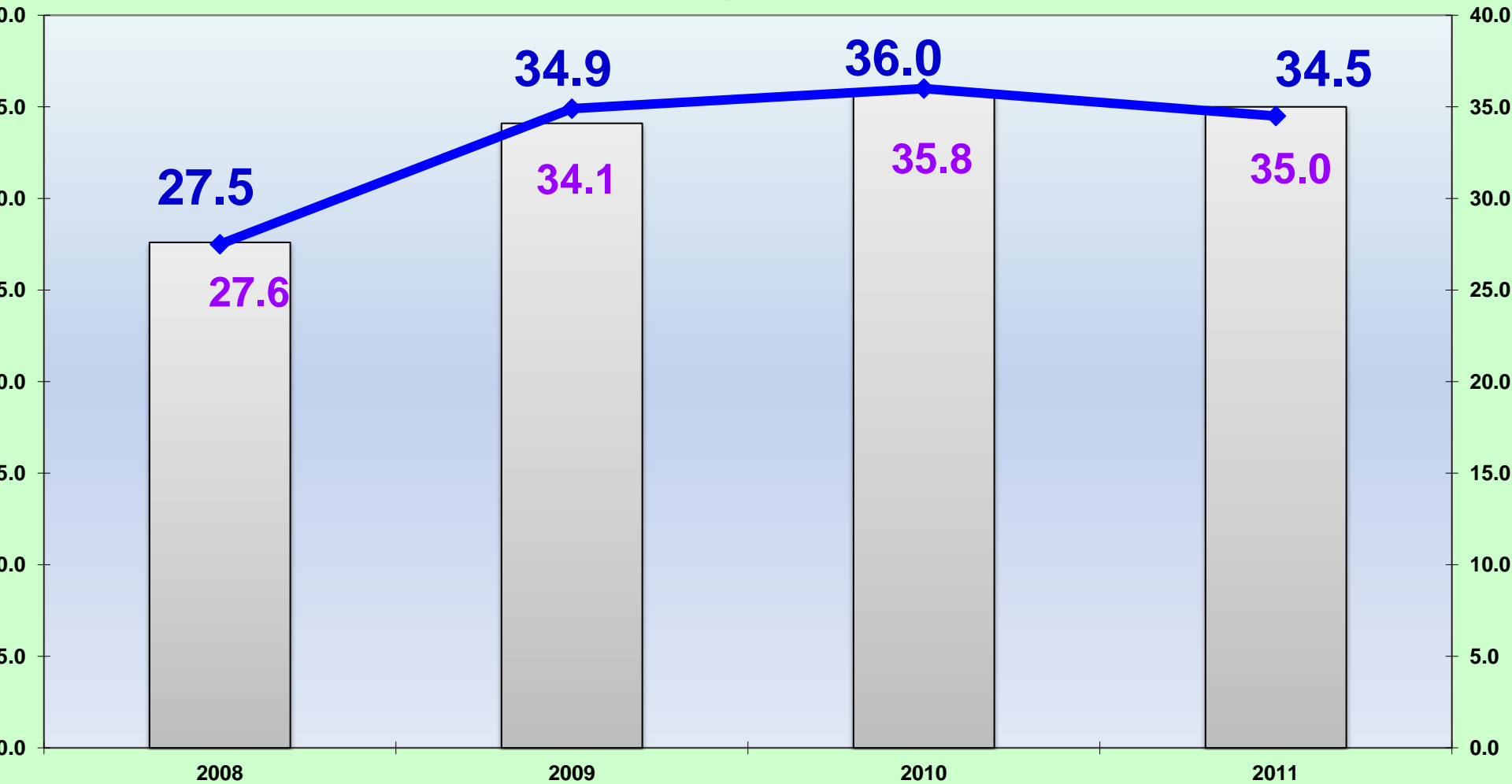
and **75.2 %** of rural employment


Out of 915 communities in the republic 866 are rural communities


Around 36.0% of the country's total population reside in rural settlements

Poverty in the Republic of Armenia

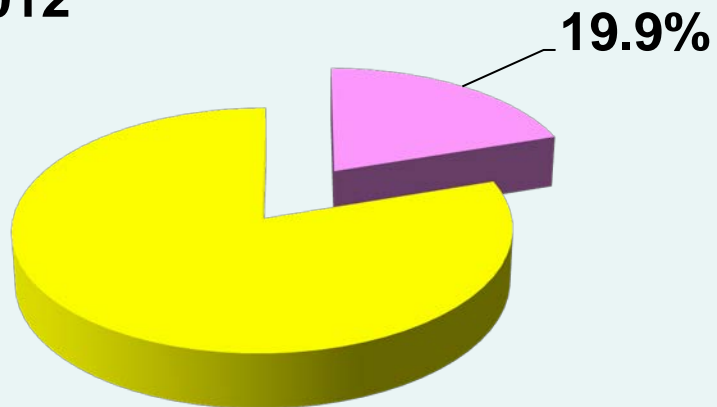
%



 Poverty level

 Poverty level in rural areas

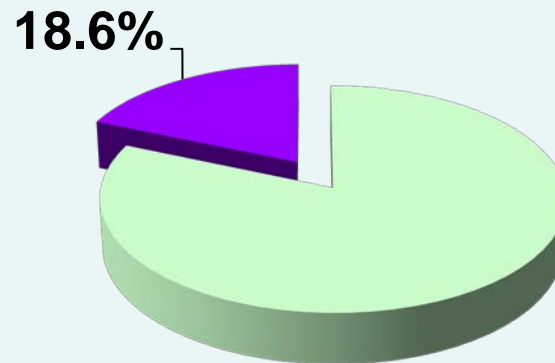
2012



Foreign trade volume

Products of plant and animal origin

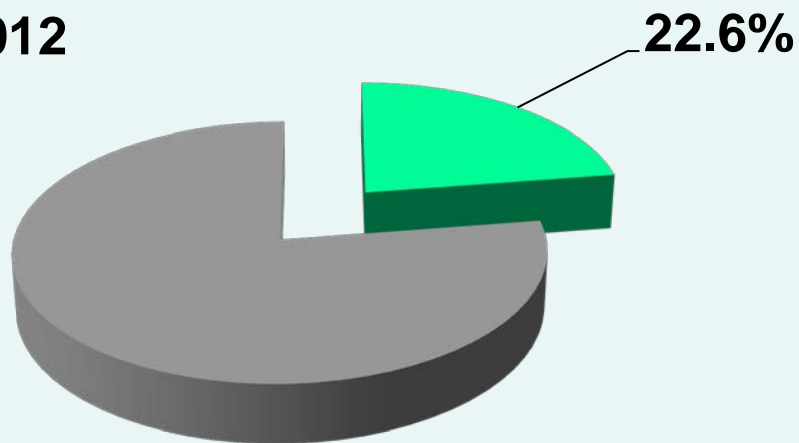
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Foreign trade volume

Products of plant and animal origin

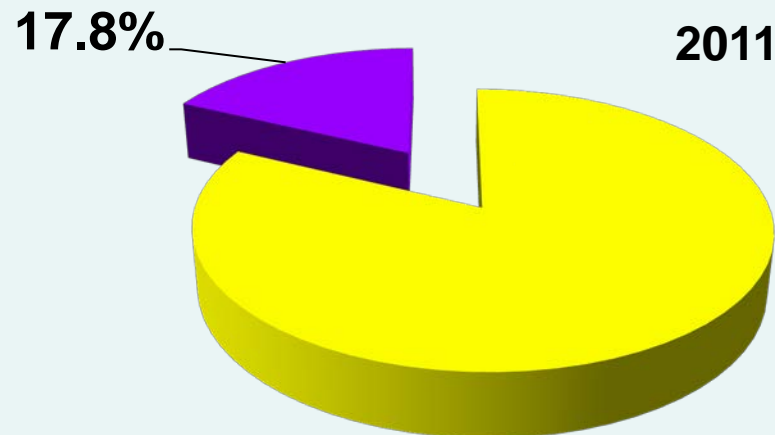
2012



Export of products

Products of plant and animal origin

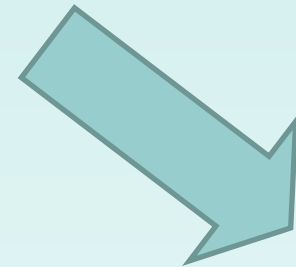
2011



Export of products

Products of plant and animal origin

In 2011-2012 an increase of agricultural production volumes for the main crops and animal farming products was recorded:



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	2007-2011 average	2011	2012	2012/2011 %	2012/07-11 ave. %
Cereals and leguminous crops, thousand tonnes	402	440.7	456.1	+3.5%	+13.5%
Potatoes, thousand tonnes	573	557.3	647.2	+16%	+13%
Vegetables, thousand tonnes	797	787.1	849.0	+8%	+6.5%
Melons, , thousand tonnes	184	180.9	205.1	+13%	+12%
Fruit and berries	256	239.4	331.7	+39%	+30%
Grapes, thousand tonnes	213	229.6	241.4	+5%	+13%
Livestock and poultry sold for butchering (in live weight), thousand tonnes	125	128	130	+2%	+4%
Milk, thousand tonnes	624	602	618	+3%	-1%
Eggs, millions	613	634	658	+4%	+7%

Guiding documents in the context of the country's food security:

• RoA Law on Providing Food Security	(2002, HO-339)
• Republic of Armenia National Security Strategy	07.02.2007, No 37-N decree of the RoA President
• Republic of Armenia Food Security Concept Paper	18.05.2011 No 91-N Order of the RoA President
• Programme of Actions Stemming from the Republic of Armenia Food Security Concept Paper	13.10.2011 No 1522-N resolution of the RoA Government
• 2010-2012 Strategy for Sustainable Rural and Agricultural Development	04.11.2010 No 1476-N resolution of the RoA Government

The main outcome indicators expected in 2020 after implementation of the tasks and actions specified in the Strategy

- Agricultural production volume in 2020 to exceed the 2007-2009 average level by **46** percent.
- The marketability of agricultural products to increase up to **75** percent in 2020, up from the current level of **56** percent.
- Area sown to reach **421.0** thousand ha in 2020, which will exceed the 2007-2009 average by **39** percent. Sown areas for fodder crops to reach **155.0** thousand ha in 2020, and for perennial plantings, **86.2** thousand ha. Thus, the 2007-2009 average level will increase by **2.4** and **1.6** times, respectively.

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- Due to the development of pedigree breeding, improved feeding and rearing, in 2020 the annual milk yield per cow will increase from the current 2035 kg to 2480 kg. The exports of food and agricultural raw materials will increase 3.5 times.

The main objective of the agricultural/food system in the context of food security

through efficient use of the existing natural/economic potential,

through deepening agrarian reforms,

through improvement of the forms of economic/business activity,

through improvement of the work productivity.

Creating preconditions for stable supply of food to population
(including in emergency situations and under martial law)

through improvement of infrastructure.

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- According to the national food balance sheet data, in the last five years the self-sufficiency in the most important foods estimated in calories constituted 60%

High self-sufficiency levels were achieved for the following food products in the republic

- potatoes
- melons
- fruit and berries
- grapes
- lamb and goat meat
- eggs

Higher than average self-sufficiency level was achieved for

- milk
- beef

Self-sufficiency level is low for the following:

- wheat
- maize
- legumes
- poultry meat
- pork

Local production and the self-sufficiency ratios for most important food products included in the Republic of Armenia National Food Balance Sheet

Food products	2006-2010 average		2011		2015		2020	
	Production thousand tonnes	Self-sufficiency ratio %	Production thousand tonnes	Self-sufficiency ratio %	Production thousand tonnes	Self-sufficiency ratio %	Production thousand tonnes	Self-sufficiency ratio %
Wheat	201.6	35.0	224.1	36.5	290.0	50.1	375.0	64.2
Potatoes	569.5	99.9	557.3	98.2	660.0	107.5	750.0	111.4
Vegetables and melons	970.0	99.3	968.0	98.2	1277.0	111.0	1357.5	120.1
Fruit and berries	264.9	91.1	239.4	90.0	460.0	112.1	586.3	121.4
Grapes	207.5	100.0	229.6	101.4	345.7	105.5	451.2	109.1
Vegetable oil	1.1	5.1	0.7	2.8	8.0	32.0	17.0	69.4
Sugar	8.2	13.9	72.2	43.9	150.0	125.0	220.0	176.0
Eggs	31.9	99.5	34.9	94.1	40.7	101.0	41.3	103.8
Milk	627.9	94.0	601.5	82.9	788.1	99.7	974.0	100.5
Beef (carcass weight)	46.1	80.1	48.2	78.4	52.5	88.8	53.4	89.8
Pork (carcass weight)	10.0	45.4	9.4	43.3	10.9	40.9	15.4	51.4
Lamb and goat meat (carcass weight)	7.8	100.0	8.4	100.0	11.9	130.8	21.9	170.0
Poultry meat (carcass weight)	5.6	18.0	5.7	12.2	9.6	25.0	12.8	33.2
Total self-sufficiency ratio estimated in calorific value %	-	56.7	-	58.6	-	69.5	-	82.3

Notes on some programmes

aimed at ensuring food security,
modernization of agriculture,
improvement of competitiveness and
industry stability



- **Government assistance to agricultural land users**

Objective	Sub-programmes
<ul style="list-style-type: none"> – Efficient use of resources, – Increase of local production of cereals, – Crop yields improvement, – Substitution of exports, – Increase of the self-sufficiency ratio, – Increase of real incomes of the land users 	<ul style="list-style-type: none"> • Programme for development of seed farming and production of wheat seeds for 2010-2014,” • Programme for Development of summer barley and seed production • Maize production development programme • Alfalfa and lucerne sainfoin seed production programme

- **Government assistance programmes to provide land users with affordable nitrogen fertilizers and diesel fuel**

Objective

- Assistance to land users in RoA Marzes in acquiring affordable nitrogen fertilizers and diesel fuel.
- Efficient land use.
- Increasing production of agricultural products and farmers' incomes



- **Action programme for cattle breeding in the Republic of Armenia**

Objectives	Results
<ul style="list-style-type: none">- Improvement of cattle gene pool,- Selective breeding activities implementation,- Forming new pedigree breeding farms,- Increased productivity of agricultural animals,- Increased production volumes of livestock products	<p>In the years to come the milk productivity will increase, reaching 2200 kg in average. A network of pedigree farms will be established where highly productive cattle growing stock adapted to local natural/climatic conditions and of high pedigree value will be bred and supplied to farmers. The quality and self-sufficiency ratio of livestock products will increase</p>

- **Action program on artificial insemination of agricultural animals**
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Objective	Result
– Improvement of livestock pedigree and productivity	<ul style="list-style-type: none">• Using the genetic potential of highly productive pedigree livestock,• Pedigree improvement of livestock bred in the republic,• Milk productivity increase,• Confinement of a number of contagious diseases,• Reduced infertility

- **Subsidising interest rates of credits to agriculture**

Objective	Result
<ul style="list-style-type: none">– Increased access to crediting for the agriculture	<ul style="list-style-type: none">• Expanded capabilities of the producers,• Timely implementation of agricultural activities in spring, harvest and sowing of winter crops,• Organising warehousing and sales of the products,• Increased use of agricultural resource potential, especially arable land,• Establishing favourable conditions for livestock farming development

THANK YOU!