



Russia

Country Profile

February 2011

BACKGROUND

Russia is the largest country in the world, covering more than a ninth of the earth's land area. Russia is also the ninth largest populous nation with 142 million people. It extends across the whole of northern Asia and 40% of Europe, spanning 9 time zones and incorporating a wide range of environments and landforms. Russia also has the world's largest forest reserves and its lakes contain approximately one-quarter of the world's freshwater.



Geography: The terrain is broad plain with low hills west of Urals; vast coniferous forest and tundra in Siberia; uplands and mountains along southern border regions. In winter, temperatures get colder both from south to north and from west to east. Summers can be quite hot, even in Siberia. Russia has a wide natural resource base, including major deposits of timber, petroleum, natural gas, coal, ores and other mineral resources.

Russia experience significant volcanic activities.

Economy and Infrastructure: Russia has moved from a globally-isolated, centrally-planned economy to a more market-based and globally-integrated economy. Russia was the world's largest exporter of natural gas, the second largest exporter of oil, and the third largest exporter of steel and primary aluminum. The economy had averaged 7% growth since the 1998 Russian financial crisis. The Russian economy, however, was one of the hardest hit by the 2008-09 global economic crisis as oil prices plummeted and the foreign credits that Russian banks and firms relied on dried up. The economic decline in mid-2009 and the economy began to grow in the first quarter of 2010. However, a severe drought and fires in central Russia reduced agricultural output, prompting a ban on grain exports for part of the year, and slowed growth in other sectors such as manufacturing and retail trade.

GPD real growth rate is 3.8% (2010 est.)

People: Total population is 139 390 205 million, median age is 38.5 years and a population growth rate of -0.465% (2010 est.)

Agriculture: Russia has relatively little area for agriculture, but given its massive expanses, the country still accounts for about 9% of the world's arable land.

1. AREA UNDER VINES

Most of the country is too cold, with winter temperatures of -15 to -30°C and a very short growing season. Only Southern Russia, between the Black Sea and the Caspian Sea, enjoy climatic conditions suitable for growing vines. Russian winemaking takes place in this area. There are three main regions: Krasnodar, Dagestan and Stavropol. The wine grape-planted area in Russia reached 75 000 hectares in 2009.

Year	Area under vines (ha)
2006	64 000
2007	71 000
2008	75 000
2009*	75 000

**Estimate*
Source: OIV

3. PRODUCTION

Russia's domestic wine industry is unique among global producers. It uses over 100 different varieties of grapes in its wine production.

The total wine production continues to decline since 2007 and reached a volume of 700 000 litres in 2009.

Year	Production
	'000 litres
2006	628 000
2007	728 000
2008	711 000
2009*	700 000

**Estimate*
Source: OIV

4. CONSUMPTION

Historically, Russia has a culture of drinking spirits and beer rather than wine. The total wine consumed in 2009 was 1 001 200 litres. On average 7.1 liters of wine is consumed by a person in 2009 and is expected to reach a level of 7.2 litres per person in 2011.

4.1 Total wine consumption

Year	Volume
	'000 litres
2006	1 075 100
2007	1 169 000
2008	1 133 000
2009*	1 001 200

Source: OIV

Year	Wine Litres per capita	Spirits Litres per capita	Beer Litres per capita
2005	7.4	14.6	66.6
2006	7.2	14.2	70.7
2007	7.9	13.9	80.1
2008	8.2	13.2	79.7
2009	7.1	12.6	75.1
2010	7.0	12.1	67.8
2011*	7.2	11.6	64.4

Source: ©2011 Euromonitor International

5. INTERNATIONAL TRADE

The total wine exported is very small compare to the total wine imported. The volume of wine imported from other countries is declining and reached a volume of 452 000 litres in 2009.

5.1 Total exports

Year	Volume Million litres
2005	1.0
2006	14.3
2007	2.6
2008	1.5
2009	0.7

Source: ©2011 Euromonitor International

5.2 Total imports

Year	Volume ('000 litres)
2005	622 700
2006	611 200
2007	643 400
2008	573 300
2009	452 000

Source: OIV
