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**GLOBAL
FORUM FOR FOOD
AND
AGRICULTURE**



International Green Week
2014. Photo: IGW

GFFA Expert Panel Discussion on Agricultural Potentials of Eastern Europe

In cooperation with the Committee on Eastern European Economic Relations, IAMO will hold an expert panel discussion at the International Green Week 2014 in Berlin. In the framework of the Global Forum for Food and Agriculture (GFFA), on 17th January 2014 high-ranking representatives from politics, economics and science will discuss the role of "Eastern Europe as key region to contribute to global food security". Russia and Ukraine possess great potential for increasing agricultural production due to their extensive abandoned land resources and comparatively low land productivity. But weather-induced variations in agricultural production and resulting income losses pose risks to farm enterprises and regional price development. Agricultural output as well as trade policies in the two countries have considerably affected international grain markets and thus food security in many importing countries for several years. Panelists will discuss the agricultural policies of both countries as well as the anticipated impacts of climate change and questions of suitable adaptation strategies. Additionally, IAMO will operate an information booth at the GFFA Cooperation Market on 18th January. [For further information and online registration please click here.](#)

Expert panel at the Global Forum for Food and Agriculture (GFFA) 2014
Eastern Europe as key region to contribute to global food security
17 January 2014 | 1-3 pm
ICC Berlin | hall 3
<http://www.gffa-berlin.de/en/home-2014.html>

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Overview

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Russian Supermarket.
Photo: Vera Belaya

Research project on agricultural trade between EU and its Eastern neighbours starts in January

Trade that includes agricultural goods and food between EU and the successor states of the former Soviet Union is constantly increasing. Furthermore, the significance of this region for the global food supply is also increasing. Therefore, it is necessary to assess the potentials and analyse the weaknesses of the CIS states to establish a basis for future bi- and multilateral negotiations on agriculture. The project "Exploring the potential for agricultural and biomass trade in the Commonwealth of Independent States (AGROCISTRADe)" which was tendered under the 7th EU Framework Programme, shall contribute to this process. The project begins in January and runs for three years. Under the lead of the French company Euroquality, there are, in addition to IAMO, six more EU research institutes involved, as well as one institute each from Russia, Ukraine, Kazakhstan, Azerbaijan, Armenia, Georgia, Moldova and Belarus, respectively. IAMO researchers Ivan Djuric, Thomas Glauben, Inna Levkovych, Linde Götz and Axel Wolz will analyse how and under which conditions internationally competitive food chains can be established in the countries studied. This includes a qualitative and a quantitative market analysis of pricing, market power and institutional frameworks. Additionally, IAMO will organise related expert workshops.

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Foodsecurity comes first.
Photo: Fotolia

Modelling an evolution of the agricultural and food sectors in the EU

Since October IAMO researchers have been developing an analytical tool for long-term projections and analysis of various scenarios related to food security and climate change. The EU funded project, led by IAMO, is being carried out in cooperation with the Institute for Structural Studies, Poland, and the International Institute for Applied System Analysis (IIASA), Austria. As a part of the global economic system, the future state of the EU agricultural and food sectors will increasingly depend on the evolution of several key factors. These factors are for example shifts in demand and existing consumption patterns, changes in demography, magnitude of technological change on the supply side, economic performance of the US, Japan or the BRICS, or limits on primary resources. An inherent feature of these developments is an increase in uncertainty in global markets. The following questions therefore arise: Which shocks will play a decisive role in the economy? How should policies be designed to react to these shocks? As policy interest continues to gain momentum on questions related to the economic aspects of food security and climate change in the next 40 to 50 years, the area of long-term modelling will gain greater significance. Against this background the project "Development of an analytical tool for long-term (2050+) projections and analysis of various scenarios related to food security, climate change, etc. Case study 2050" was launched.

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IAMO Forum. Photo: Timea Jung

Internationally renowned keynote speakers at IAMO Forum 2014

The IAMO Forum 2014, "The rise of the 'emerging economies': Towards functioning agricultural markets and trade relations?" will feature several internationally renowned keynote speakers. Online registration for the conference, which takes place in June in Halle, Germany, is now available.

Among others, Holly Wang, Professor at the Department of Agricultural Economics at Purdue University, U.S., and Will Martin, Research Manager at the World Bank, have confirmed their participation at the plenary session on "Emerging Economies: On the Way to be the Global Food Basket?". Further, Professor Christopher L. Gilbert, University of Trento, Italy, and Harald von Witzke, Humboldt-Universität zu Berlin, will present during the session "Volatility on agricultural markets". In the plenary session on the Transatlantic Trade and Investment Partnership, Tassos Haniotis, Director of the Economic Analysis, Perspectives and Evaluations Directorate of the European Commission, and Carmel Cahill, Senior Counsellor in the OECD's Directorate for Trade and Agriculture, will present keynote speeches. Interested parties are invited to submit a paper for the conference until 3rd February 2014. IAMO Forum 2014 is jointly organized by the [Agricultural & Applied Economics Association \(AAEA\)](#), IAMO, and the [International Agricultural Trade Research Consortium \(IATRC\)](#). More information, as well as paper submission and registration can be found online: www.iamo.de/forum/2014.

IAMO Forum 2014

The rise of the 'emerging economies': Towards functioning agricultural markets and trade relations?

25.-27. Juni 2014 | Halle (Saale)

www.iamo.de/forum/2014

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Alexander Prishchepov at the seminar "Management of land resources". Photos: APD

IAMO expertise on the development of Russian Agriculture in demand

On 21st November the German-Russian Agricultural Policy Dialogue, a cooperation project of the German Federal Ministry of Food, Agriculture and Consumer Protection, hosted a seminar on "Management of land resources" at the Council of the Russian Federation in Moscow. IAMO researcher Alexander Prishchepov was invited to present his research results on the development of agricultural land use in Russia since 1990.

On the Russian side, representatives of the Committees on Agriculture of the Russian Federation Council and State Duma, as well as members of the Ministry of Agriculture and of the Ministry of Economic Development attended the seminar. On the German side, in addition to IAMO, the BVVG Bodenverwertungs- und -verwaltungs GmbH and the Bavarian Ministry of Food, Agriculture and Forestry were present. Based on German experience and approaches to recording land use, as well as various legal frameworks, possible strategies for implementing in Russia were identified during the seminar. In his presentation, Prishchepov highlighted that more than 50 million hectares of agricultural land is currently not in use. On behalf of IAMO, he recommended that the Russian government stimulate investments into agriculture and to support social development and the development of infrastructure in rural areas. Furthermore, as reclamation costs rise each year after abandonment, the government is asked to provide financial incentives for reclamation, and to develop functioning land markets. More [information on the seminar \(in Russian only\)](#) is available online.

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Photo: Fotolia

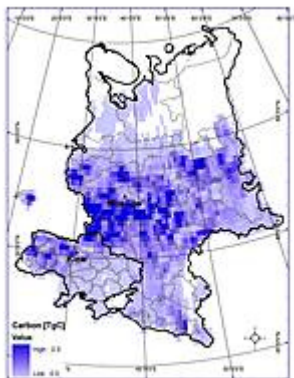
Speculation in Agricultural Commodities: IAMO Discussion Paper gives insight into role of long-only index funds on agricultural commodity futures markets

The latest paper from IAMO researchers Sören Prehn and Thomas Glauben, together with Jens-Peter Loy of Kiel University, as well as Ingo Pies and Matthias Georg Will, both of Martin Luther University Halle-Wittenberg, analyses, by using a partial concept of equilibrium, the long-term impact of long-only index funds. Long-only index funds have been suspected of causing price increases on agricultural commodity markets. The theoretical analysis of the authors contradict such reproaches, however. In contrast, the authors indicate that in the long term, long-only index funds can be conducive to the functioning of agricultural commodity futures markets. The market entrance of these funds reduces the risk premium, and thus supports the insurance functions of agricultural commodity futures markets. Based on these results, the researchers advise against stronger regulations of long-only index funds. The complete study was published as [IAMO Discussion Paper No. 142: "Der Einfluss von Long-only-Indexfonds auf die Preisfindung und das Marktergebnis an landwirtschaftlichen Warenterminmärkten"](#) and is available for download (in German only).

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Carbon sequestration on abandoned agricultural land in European Russia, Ukraine and Belarus. Map: Florian Schierhorn

Production potentials for sustainable agricultural use mapped

IAMO researchers Florian Schierhorn, Daniel Müller, Alexander Prishchepov and Alfons Balmann have developed, in collaboration with Tim Beringer of Potsdam Institute for Climate Impact Research and Tobias Kuemmerle of Humboldt-Universität zu Berlin, a model that allows a better understanding of the spatial distribution of abandoned land, and thereby of the agricultural potentials of European Russia, Ukraine and Belarus. Furthermore, the model helps identify areas where recultivation is associated with lower carbon emissions. There exists widespread agricultural land abandonment in the territory of the former Soviet Union. Recultivation of this land would help meet the increasing food demand of a growing world population. However, the soil and vegetation of these areas store significant amounts of carbon and therefore recultivation would result in high carbon emissions and thereby contribute to global warming. Recultivation of older abandoned land would be associated with higher carbon emissions and lead to substantial amounts of carbon not being sequestered in the vegetation currently developing on idle croplands. Coupling various powerful models permits these researchers to assess the advantages and disadvantages of the recultivation of abandoned cropland. The results of this study were published in the article ["Post-Soviet cropland abandonment and carbon sequestration in European Russia, Ukraine and Belarus"](#) in the renowned scientific journal *Global Biogeochemical Cycles*. More information on the [IAMO Land System Change Group](#) and on the [cropland abandonment data](#) is available online.

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IAMO expert panel discussion at Agritechnica.
Photo: Daniela Schimming

Expert panel discussion at Agritechnica attracted numerous visitors

More than 50 visitors joined the IAMO expert panel discussion "Challenges and chances of large-scale farming in Russia, Ukraine and Kazakhstan" on 14th November at the Agritechnica in Hannover, Germany. IAMO once again hosted an event at the world's leading international exhibition for agricultural machinery and equipment. Moderated by Achim Schaffner, German Agricultural Society (DLG), IAMO researcher Martin Petrick and German-Ukrainian Agricultural Policy Dialogue representative Mariya Yaroshko discussed opportunities and risks for large-scale structures in agricultural production of Eastern European agriculture. Both experts confirmed the potential of large-scale agriculture in Russia, Ukraine and Kazakhstan to be high. To exploit these potentials, measures to improve and solidify political and institutional framework conditions are necessary, for example upgrading transport infrastructures, and establishing sustainable local-level institutions, as well as national agricultural research and extension services. Regarding Ukraine, Mariya Yaroshko expressed the hope that a convergence of fundamental political values with the EU would strengthen trust among national and international investors and traders. However, the proof of this trust is still missing. Ukrainian President Viktor Janukowitsch recently broke off talks about an Association Agreement with the EU after Russia threatened it with trading disadvantages.

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Focus on wheat trade.
Photo: Fotolia

Best paper at annual GEWISOLA conference

Linde Götz (IAMO), Feng Qui (University of Alberta, Canada), Jean-Philippe Gervais (North Carolina State University, USA) and Thomas Glauben (IAMO) were recognized for having the best paper at the 53rd annual conference of the German Association of Agricultural Economics (GEWISOLA) in September in Berlin. They won the award for their paper "Export Restrictions and Multiple Spatial Price Equilibria: Export Quotas for Wheat in Ukraine". The paper is a result of the GERUKA project which is supported by the Federal Ministry of Food, Agriculture and Consumer Protection and the Federal Office for Agriculture and Food. It focuses on the price insulating effects of export restrictions for wheat in Ukraine in the years 2006 till 2008 as well as 2010 and 2011 and comes to the result, that from a global point of view, the domestic wheat price in Ukraine would have increased to the same degree, if no country worldwide would have attempted to disconnect national wheat prices from world prices by means of trade policy measures. The paper provides arguments for a stronger regulation, respectively a ban on trade related policy interventions in the case of high world market prices by the WTO.

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Martin Petrick and Insa Theesfeld. Photos: Rebekka Honeit

IAMO researchers appointed professors

On 4th November IAMO researcher Martin Petrick was appointed Extraordinary Professor at Martin Luther University Halle Wittenberg by Rektor Udo Sträter. The professorship is assigned to the Institute of Agricultural and Food Sciences at the Faculty of Natural Sciences III. Martin Petrick researches and teaches since 1998 at IAMO about international agricultural development, with a focus on agricultural structure and agricultural politics in the territory of the former Soviet Union, rural factor markets and EU agricultural policy. +++ **IAMO researcher Insa Theesfeld accepted a Professorship of Agricultural, Food and Environmental Policy at Martin Luther University Halle Wittenberg.** From 1st February 2014 she will start working at the university, but will still be closely scientifically associated with IAMO. Here she worked since 2007 about institutional economics, environmental and resource economics and governance of natural resources.

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The IAMO building in Halle, Germany. Photo: Sibylle Mundt

Personalia

IAMO Director **Alfons Balmann** was elected as a member of the managing committee of the [German Association of Agricultural Economics \(GEWISOLA\)](#) at the general assembly on 26th September 2013 in Berlin. +++ Researcher **Daniel Müller** is now a member of the [Integrative Research Institute on Transformations of Human-Environment Systems of Humboldt-Universität zu Berlin](#). The institute, developed in 2013 under the framework of the German "Excellence Initiative", is part of a global network of leading research institutes on the topic of transition research. +++ On 18th November PhD candidate **Kuenda Laze** successfully defended her thesis on "[Identifying and understanding the patterns and processes of forest cover change in Albania and Kosovo](#)".

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Season's Greetings

This is the last edition of the IAMO Newsletter in 2013. We would like to thank you for your interest and wish you and your family a happy holiday season, and good health and many successes in the New Year.

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New publications

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IAMO Annual 2013 [Download](#)

IAMO Studies

Castro Campos, B. (2013): Human capital differences or labor market discrimination? The occupational outcomes of ethnic minorities in rural Guizhou (China). *Studies on the Agricultural and Food Sector in Central and Eastern Europe*, Vol. 73, Halle (Saale). [Download](#)

Traikova, D. (2013): Determinants of non-farm entrepreneurial intentions in a transitional context: Evidence from rural Bulgaria. *Studies on the Agricultural and Food Sector in Central and Eastern Europe*, Vol. 72, Halle (Saale). [Download](#)

IAMO Discussion Paper

Prehn, S., Glauben, T., Loy, J.-P., Pies, I., Will, M. (2013): Der Einfluss von Long-only-Indexfonds auf die Preisfindung und das Marktergebnis an landwirtschaftlichen Warenerminmärkten, *IAMO Discussion Paper No. 142*, Halle (Saale). [Abstract](#) [Download](#)

Further selected publications

Buchenrieder, G., Balagh, R. A. (2013): Sustaining livelihoods around community forests: what is the potential contribution of wildlife domestication?, *Journal of Modern African Studies*, Vol. 51, No. 1, pp. 57-84.

Djanibekov, N., Frohberg, K., Djanibekov, U. (2013): Income-based projections of water footprint of food consumption in Uzbekistan, *Global and Planetary Change*, Vol. 110, No. Part A, pp. 130-142.

Djanibekov, U., Van Assche, K., Boezeman, D., Djanibekov, N. (2013): Understanding contracts in evolving agro-economies: Farmers, dekhqans and networks in Khorezm, Uzbekistan, *Journal of Rural Studies*, Vol. 32, pp. 137-147.

Erb, K.H., Haberl, H., Rudbeck Jepsen, M., Kuemmerle, T., Lindner, M., Müller, D., Verburg, P.H., Reenberg, A. (2013): A conceptual framework for analysing and measuring land-use intensity. *Current Opinion in Environmental Sustainability* 5(5): 464-470. [Link](#)

Fraye, J., Sun, Z., Müller, D., Munroe, D.K., Xu, J. (2014): Analyzing the drivers of tree planting in Yunnan, China, with Bayesian networks. *Land Use Policy* 36: 248-258. [Link](#)

Griffiths, P., Müller, D., Kuemmerle, T., Hostert, P. (2013): Agricultural land change in the Carpathian ecoregion after the breakdown of socialism and expansion of the European Union. *Environmental Research Letters* 8(4). [Link](#)

Kuemmerle, T., Erb, K.H., Meyfroidt, P., Müller, D., Verburg, P. H., Estel, S., Haberl, H., Hostert, P., Kastner, T., Levers, C., Lindner, M., Rudbeck Jepsen, M., Plutzer, C., Verkerk, P. J., van der Zanden, E. H., Reenberg, A. (2013): Challenges and opportunities in mapping land use intensity globally. *Current Opinion in Environmental Sustainability* 5(5): 484-493. [Link](#)

Marquardt, D. (2013): Networking as Driver for EU Rural Development Policies - Implications from two Decades of Practical Experience and Network Theory, *Economics and rural development*, Vol. 9, No. 1, pp. 27-46.

Perekhozhuk, O., Matyukha, A., Glauben, T. (2013): Estimating the Degree of Buyers' Market Power: Evidence from the Ukrainian Meat Processing Industry, *Ekonomika APK*, No. 4, pp. 36-47.

Prishchepov, A., Müller, D., Dubinin, M., Baumann, M., Radeloff, V. (2013): Determinants of agricultural land abandonment in post-Soviet European Russia, *Land Use Policy*, Vol. 30, No. 1, S.873- 884. [Link](#)

Prishchepov, A. (2013): Book review. McNeill, Desmond; Nesheim, Ingrid and Floor Brouwer (eds.) (2012): Land Use Policies for Sustainable Development. Exploring Integrated Assessment Approaches., *Quarterly Journal of International Agriculture*, Vol. 52, No. 2, pp. 171-173.

Sandberg, A., Theesfeld, I., Schlüter, A., Penov, I., Dirimanova, V. (2013): Commons in a changing Europe, *International Journal of the Commons*, Vol. 7, No. 1, pp. 1-6.

Schierhorn, F., Müller, D., Beringer, T., Prishchepov, A., Kuemmerle, T., Balmann, A. (2013): Post-Soviet cropland abandonment and carbon sequestration in European Russia, Ukraine and Belarus, *Global Biogeochemical Cycles*, Vol. 27. [Link](#)

Valentinov, V., Hielscher, S., Pies, I. (2013): The meaning of nonprofit advocacy: an ordonomic perspective. *Social Science Journal*, 50(3), pp. 367-373.

Zanoli, R., Scarpa, R., Napolitano, F., Piasentier, E., Naspetti, S., Bruschi, V. (2013): Organic label as identifier of environmentally-related quality: a consumer choice experiment on beef in Italy, *Renewable Agriculture and Food Systems*, Vol. 28, No. 1, pp. 70-79.

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