



Accounts Chamber of The Russian Federation

Auditing
Sustainable development
(in terms of agricultural economy)

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Auditor, member of the Board



The 10th annual EUROSAI WGEA meeting
Nissi Resort, Cyprus, 23 - 25 October, 2012

Strategic goal of sustainable development of Russia



Upgrading the level and the population life-quality on the basis of scientific and technical progress, dynamic development of economy and social sphere while preserving the reproduction potential of the natural complex of the country as a part of biosphere of the Earth, and also technological potential in interest of the present and future generations



Serious threat to sustainable development achievement constitute accidents of climate changes, frequency and dimension of which have increased considerably last years.

The size of a damage caused by them in many respects depends on timeliness and accuracy of their prediction, from acceptance of preventive measures of protection, and also from taking into account the probability and intensity of their display in the course of daily economic activity.



In 2012, we conducted the Performance Audit of realisation of state regulation and use of public funds during 2008 - 2010 allocated for preservation and restoration of fertility of soils and agricultural landscapes and realisation of measures on adaptation and softening of anthropogenic influence on climate

Objectives

- To analyze implementation of governmental measures in terms of climate changes and its consequences for Russian agriculture
- To assess productivity of arrangements aimed at adaptation of Russian agriculture to climate changes





- **The audit focused on** an analysis of the legal basis, and assessment of efficiency of realization of the state measures for questions of climate change and its consequences for agriculture and productivity of actions aimed at adaptation of agriculture of Russia to climate changes.
- **Period covered:** 2008 – 2010
- **Audited entities:** Ministry of Agriculture; Federal Service for Hydrometeorology and Environmental Monitoring (Roshydromet); five jurisdictional institutes; administrations of four entities of the Russian Federation (regions of Krasnoyarsk, Perm, Astrakhan and Smolensk).

- sustainable development of the rural regions
- general conditions creation for agricultural sector's functioning
- high-priority development for agricultural sector's subindustry
- Household's financial soundness achievement
- agricultural commodities market regulation

The Government Program adaptation measures

- building and reconstruction of meliorative and water economic objects
- carrying out agroforestral actions on the soil of agricultural purpose , including creation of field-protecting forest strips, antierosion ravine plantations, a pasture of protective phytomeliorative plantings, carrying out the forest felling for protection and reconstruction of forest
- performing agroforestral and phytomeliorative actions and watering

- During the period of 2006 to 2010 the state support from the federal budget for the crop insurance have been done
- The actions for prevention and liquidation of consequences of desertification of farmlands on the Black soils were carried out (according to the United Nations Convention on struggle against desertification)
- Decrease in soil fertility of farmland in the Russian Federation demands more intensive agrochemical actions

The Government Program major criteria and indicators basically are accomplished

- According to the Roshydromet assessment, the forecast quality significantly increased and approached the global leading centers level in some parameters, validity of daily and decade forecasts makes up to 95%, validity of medium-term forecasts is 70 percent
- The Ministry of Agriculture of Russia affirms that information is suitable in quantity and quality for making managerial solutions and estimates own error of prognosis of agricultural production outcome to be 5-6 percent

With the mutual positive qualification and high self-rating of activities of Roshydromet and Ministry of Agriculture, there is a trend of growth of damages to agriculture by unfavorable climate conditions.

Failure to undertake measures for adaptation of agriculture to climate changes might result in higher risks.

- With consideration for two scenarios of climate change: arid warming (with water shortage) and humid (with excessive watering), significant growth of plant-production productivity is expected to occur in regions above 50° Northern latitude (within entire area of the Russian Federation except the South)
- However, some productivity fall is expected in the Central, Southern and Eastern regions with humid warming and more significant yield fall in southern regions is expected with arid warming. Substantial investments in agricultural economy sector will be required for damage compensation

Such a situation evidences the need in development of an optimum strategy of adaptation and diversification of agriculture economy, for its steady progress under the climate change, and in arrangements for adaptation and alleviation of effect on climate

- with substantial sums of the federal budget funds and the international loan channeled for upgrading and technical re-equipment of the Rosgidromet institutions and organizations, no notable improvement is seen in the forecast validity, especially the medium-term ones
- failure to make timely arrangements for adaptation of agricultural industry to climate change will entail not only jeopardy of increase in material losses but also risks of decrease in competitiveness of Russian agricultural complex and in support of food security

Recommendations

- to encharge the Ministry of Agriculture with creating measures to address adaptation of the agricultural sector to climate change at the draft Government Programme on agriculture development and market regulation of agricultural goods, primary goods and rations for 2013 – 2020
- to consider the possibility to create a coordination authority under the jurisdiction of the Russian Federation Government, which would be in charge of implementing measures for adaptation and mitigation of anthropogenic effects on the climate in the Russian Federation

Since the Audit conducted in the end of June 2012 the government response to the audit recommendations are not available right now



THANK YOU!

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