

Medvedev Takes Tough WTO Stance to Protect Agriculture

By [The Moscow Times](#)

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Medvedev inspecting grain crops Monday in the central Tambov region. **Vladimir Rodionov**

MICHURINSK, Tambov Region — President Dmitry Medvedev said Monday that Russia will not withdraw state subsidies for farmers if it joins the WTO, which Moscow hopes will happen later this year after 18 years of accession talks.

Russia is the biggest economy outside the World Trade Organization, and Medvedev's comments underlined its robust stand on free trade rules.

"We are not talking about any restrictions on state support of agricultural producers after accession to the WTO," Medvedev told a meeting on crops and grain markets.

Prime Minister Vladimir Putin said earlier this month that Russia would not give up new rules for vehicle assembly for major global manufacturers to win WTO entry.

Medvedev said that about \$9 billion would be spent on agricultural subsidies up to 2012, with

a gradual decrease seen by 2017. He also stressed that Russia retained the right to increase import duties on some products to help its farmers.

"The level of customs protection on agricultural products will remain sufficient [after WTO accession], and Russia will have the right to increase import duties on some of these products," he said.

First Deputy Prime Minister Viktor Zubkov said Russia may also carry out grain interventions this year to protect domestic producers. The state purchases grain from farmers with a view to resell it later. "We will have good crops, and we may have a certain excess of grain," he said.

Wheat fell in Chicago on speculation that importers on Monday will further shun U.S. and European Union supplies in favor of Russian and Ukrainian grain, Bloomberg reported. "Russian and Ukraine exports and yields are significant factors in wheat," said Kieran Walsh, a broker at GFI Group in London. "We are already seeing the EU export market share being eroded." Wheat for September delivery dropped 6.75 cents, or 1 percent, to \$6.86 a bushel on the Chicago Board of Trade by 4:15 p.m. Moscow time. Milling wheat for November delivery rose 50 cents, or 0.3 percent, to 193.50 euros (\$278) a ton on NYSE Liffe in Paris.

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