

Budget for Modernization Decreasing

By [The Moscow Times](#)

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Medvedev shopping at a retail exhibition based on nanotechnology during Rusnanotech 2011 on Wednesday. **Vladimir Rodionov**

Judging by the main directions of budget policy approved by the Finance Ministry, support for President Dmitry Medvedev's modernization initiatives will be reduced.

In 2013, the plan is to spend 6.3 billion rubles (\$203 million) for the modernization committee itself and projects it has approved, compared with the 10 billion rubles budgeted annually from 2010 to 2012. In 2014, the budget for the same activities is only 3.6 billion rubles.

The reduced budget allocation for 2014 is due to the completion of 10 out of 38 projects approved by the commission, the document states. No new projects are foreseen.

Despite these numbers, Medvedev said Wednesday during the opening of a nanotechnology trade show in Moscow that funding is not going down.

"We are not scaling down anything. We will only increase funding in all areas

of modernization, including innovative projects and nanotechnologies," Medvedev said, Interfax reported.

The entire line item "support for innovation projects" will go from 71.5 billion rubles in 2012 to 27.8 billion rubles in 2013. Skolkovo funding will drop from 22 billion rubles next year to 17.1 in 2013. From 2013, Rusnano will not get any more injections of charter capital from the state budget.

Skolkovo Foundation vice president Stanislav Naumov and officials from Rusnano say the reductions were expected. Budget funds were needed at the first stage, and further development is expected with the help of venture funds — 19 agreements are already signed — other participants in the project and additional credits from Vneshekonombank, Naumov said.

But there are other indications of a modernization slowdown. The commission itself has begun to meet less frequently, and so has its organizational and working groups, sources told Vedomosti.

In the platform of the United Russia party, which is headed by Medvedev, modernization is listed as a priority, but in the section entitled "Our New Economy," there is no mention of it.

(Vedomosti, MT)

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