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# Cabinet Makes Agricultural Support Plan for After WTO Entry

By The Moscow Times

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The Cabinet on Friday approved a new long-term plan to support farming, changing some approaches that could raise questions among WTO members.

Federal agricultural subsidies and spending are rising very moderately despite fears that Russia's entry into the global trade group within the next few weeks will challenge the sector thanks to a surge in foreign competition.

As the support program starts next year, the government will terminate the years-long practice of farmers getting government-facilitated discounts from suppliers of gasoline and fertilizers.

"That could bring us accusations of dumping ... from the other WTO member-countries," when it comes to sales of farm products, said Deputy Prime Minister Arkady Dvorkovich. "It's best to do away with these non-market mechanisms."

Russia is one of the world's largest grain exporters.

Instead of engineering favorable price agreements for farmers, the government will introduce a subsidy that will seek to ensure that they earn at least a 10 percent profit on every hectare of farmland, Dvorkovich said after the Cabinet session.

"We believe it's a quite achievable target," he said.

The rate is now under 9 percent, he said.

The subsidy will amount to around 30 billion rubles ($923 million) per year, Dvorkovich said.

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