

OECD Global Forum on Agriculture

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Content for the report on “Guidelines for agricultural reform in Russia”)

The development of the agro-industry sector is one of the priorities for the government’s social and economic policy.

Creating an efficient, competitive agro-industry sector that is capable of ensuring food safety and self-sufficiency of the State, stepping up exports in certain categories of agricultural production and foodstuffs, increasing the contribution of the agro-industrial complex to the national economy are defined as the strategic objectives of national agricultural policy in the economic field.

The dynamics of the development of the agricultural sector is confirmation that agricultural policy, as set out in the “Main guidelines for the Russian Federation’s agro-food policy for 2001–2010”, is on the right track. Over the past few years, positive trends in the agricultural sector have been maintained and agricultural and food production have continued to grow. Under the special “Federal Programme for the social development of rural areas up until 2010”, social development objectives in rural areas, increasing employment and income for the rural population, are being implemented. The special “Federal Programme for the conservation and restoration of soil fertility on land for agricultural use and agrarian landscapes as Russia’s national heritage for 2006–2010” is also implemented.

At the same time, the steps that are now being taken are not enough to bring about a substantial improvement in the agricultural situation.

Implementing national policy for the development of the agro-industrial sector will require the formulation and adoption of legislation and regulations that will make it possible to create a comprehensive body of agrarian law and eliminate existing loopholes.

The adoption in recent years of a set of legislation and regulations for the division of authority between central government bodies and local authorities and administrative reform measures have necessitated substantial changes in the legislation applicable to agricultural production and the food market.

The development of a regulation system for the agricultural sector in the Russian Federation is now proceeding along the following lines.

As part of the implementation of the national priority project Development of the Agro-industrial Sector, which is politically and economically crucial to achieving the objectives and carrying out the tasks of social and economic development of the country in the short term, laws and draft regulations are being prepared in the following areas: accelerated development of livestock farming; fostering the development of small and medium-sized enterprises in the agro-industrial sector; and access to housing in rural areas for young professionals (or their families).

Improving land law, in particular legislation on the transfer and mortgage of agricultural land in order to make agriculture a more attractive prospect for investors, make more efficient use of agricultural land

and attract long-term credit to the sector - is one important aspect of the statutory regulation of the development of the agricultural sector.

To this end, draft legislation and regulations are being developed with the aim of improving the regulation of mortgages for agricultural land so that a mortgage lending system for agricultural land can be established in the country.

In order to lay the regulatory foundations for implementing national policy on agricultural development and agro-food market regulation, a Federal Law on Agricultural Development was drafted and passed in the first reading by the State Duma of the Federal Assembly of the Russian Federation on 21 April 2006.

The adoption of this law will allow us to establish a comprehensive legislative and regulatory basis aimed at making the implementation of national agricultural policy and government support for agricultural producers more efficient, to regulate the agro-food market, to attract investment in the agro-food sector and to ensure sustainable agricultural income growth by making agriculture more competitive and improving the economic and social situation of the rural population.