State agrarian policy and the efficiency of its implementation at the regional level

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Abstract. Structural and dynamic changes in directions, forms, volumes of state support for agricultural producers in the "post-sanction" period were considered from the standpoint of various scientists. A slight increase in the index of agricultural production, a transition from compensatory to incentive support measures, a significant development of small forms of business are predicted: farming, consumer and industrial cooperation. The author's method of assessing the effectiveness of new forms of support is proposed based on comparing the amounts and directions of obtained subsidies with changes in the competitiveness of crop and livestock products. The approbation of this technique on agricultural production cooperatives in Udmurtia showed an increase in the state support efficiency, as well as the benefits of further specialization of the republic in the production of dairy products. The technique can be used by the authorities to improve agricultural policy.

1. Introduction
Agriculture is a priority sector of the economy, since during periods of general economic recession it shows stable development, increases export potential, is a sphere of employment of a significant part of the population and a guarantee of their social stability. The industry is also prioritized in terms of state support. By obtaining a free financial source to compensate for costs or incentive payments, state support for agricultural enterprises helps to reduce the price of capital used, increases their financial stability and competitiveness [12; 16]. On the other hand, the priority of financing the industry creates the preconditions for its outrunning growth and increasing the country's food security [2; 4; 7-9; 11; 13].

The main mechanism for regulating state support for the industry is the State Program for the Development of Agriculture and the Regulation of Markets for Agricultural Products, Raw Materials and Food, which has been modified and extended until 2025.

The main organizational and managerial innovations of the program are to expand support for small businesses (individual entrepreneurs, farmers, agricultural consumer cooperatives, except for credit cooperatives) through the 'Agrostartup' and the 'Agroprogress' grants. Grant funds can be used to reimburse the expenses of consumer cooperatives, to purchase machinery, transport, equipment from its manufacturers, installation, delivery, purchase of cattle, purchase of agricultural products from the members of the cooperative, creation of project documentation, land acquisition, repayment of the principal debt on loans, provided compliance with certain rules both on the part of the subsidies' recipients and on the part of regional authorities, as well as to ensure the growth of agricultural products in priority sub-sectors of the agro-industrial complex.

During the course of the program, there should be a reorientation from compensatory forms of state support to stimulating subsidies, which in fact encourage the advanced development of agriculture. The
compensating subsidy includes unrelated support in crop and dairy farming, support for livestock breeding and elite seed farming, as well as the development of traditional crop and livestock sub-sectors, support for agricultural insurance. The stimulating subsidy is provided to the regions that have established their priority sectors for the AIC development [1]. According to the stimulating subsidy, milk production remains the most in demand - 67 regions chose this direction in 2020, 63 - in 2021. Such areas as the production of cereals, perennial plantings, vegetable production in the open field, meat farming, and certain niche areas are also popular.

The priority areas for 2021 in the Udmurt Republic are: niche areas (production of fiber flax and industrial hemp), milk production, development of specialized beef cattle breeding, sheep and goat breeding, small forms of farming).

Regarding the contribution of agriculture to the increase in added value to the export and tax components of budget revenues, state support for the industry is clearly insufficient. So, according to A. I. Altukhov's estimate, only 75% of the amount established by the WTO rules is spent on state support [3]. According to analysts, support for agriculture in 2021 is expected to decrease by 5.6% (17 billion rubles) in Russia despite the positive forecasts of the Ministry of Agriculture of Russia on the index of agricultural production: an increase of 1.5%. Despite the stable volumes of funds allocated to support the AIC (an increase of 26.1% over 6 years), there was no significant increase in the production of crop and livestock products (5.2%).

Several authors believe that state support funds are used by farms mostly for current consumption rather than for accumulation and provide only simple reproduction [14; 17; 18]. This is largely determined by that the existing mechanism for budgetary funds' distribution when there is no ranking of organizations to provide targeted government support is ineffective and is aimed not at creating public goods, but at lobbying private interests [15].

Despite that the financial reporting of farms involves the calculation of elementary performance indicators, the legislator considered it necessary to assess the effectiveness of subsidies only by a plan-fact analysis. Paying tribute to the official methodology, it should be noted that for those producers who have not reached the key performance indicators, mechanisms for returning subsidies are applied in the part corresponding to the failure to meet the indicators [17]. Meanwhile, researchers in the regions propose to still associate the assessment of state support efficiency with benefits and costs [8]. Also, a methodology for assessing the effectiveness of innovation activities of private firms that received subsidies from the state for research in the field of genetic engineering based on the scoring criteria was proposed [6]. Accordingly, the current official methodology for assessing the budget funds efficiency for small businesses needs to be improved.

2. Aim of the research

The purpose of the study was to systematize changes in the forms and directions of state support for agriculture, to propose a methodology for assessing the state support efficiency based on comparing the volume of financing and indicators of enterprises' competitiveness on the example of the APC in the Udmurt Republic.

3. Materials and methods

The theoretical basis of the study was the work of Russian scientists in the field of improving the state policy for supporting agricultural production. The empirical basis of the study was the annual SPC reports in the Udmurt Republic for 2014-2019 [5]. Main research methods: system analysis, monographic, economic and statistical, tabular.

4. Research results and discussion

For the period from 2014 to 2019, there were changes related to the improvement of reporting form No. 10-APC “Report on targeted financing”, which made it difficult to compare the volumes and forms of state support. In 2014, the regulator was more interested in the sources of subsidies (federal budget, regional budget, local budget). In 2018-2019, subsidies were indicated for achieving the target
implementation indicators of regional programs for AIC development, including support funds from the federal budget and the local budget [1].

As a result of a deliberate reduction in the share of direct costs compensation, support in the field of crop production arose with no relation to the operational results (85.1 million rubles in 2014 and 66.0 million rubles in 2019).

Subsidies for reimbursing part of agricultural producers' costs per 1 liter (kg) of commercial milk sold, which took place in 2014 in support of animal husbandry (224.6 million rubles), have been canceled. To replace them, they were provided with subsidies for increasing productivity in dairy farming (261.9 million rubles in 2019).

There was a significant decrease in subsidies for achieving target indicators in crop and livestock production (113.5 million rubles and 267.2 million rubles in 2014 and 9.2 million rubles and 197.2 million rubles in 2019), which constituted the compensation part of the support.

In the field of investment activities, non-specific non-program investments in fixed assets have been replaced by a more effective reimbursement of the interest rate on investment credits (loans) in crop production. Instead, they also provided for direct compensation for the costs incurred for construction, reconstruction of AIC facilities (which the republic has not received over the past two years).

In general, a slight decrease in the volume of state SPC support in 2019 compared to 2018 and the remaining "compensatory" nature of state support measures can be noted.

Consider the author's scoring methodology for assessing the agricultural support efficiency. At the first stage, the amount of state support was estimated. Criteria for assessing the amount of state support:

- if the received targeted subsidy for crop production and the amount of unrelated support of the SPC is above average, then the criterion is assigned a value of 1, if not, then 0;
- if the received targeted subsidy for animal husbandry and subsidy for increasing productivity of the SPC is above average, then the criterion is assigned a value of 1, if not, then 0.

At the second stage, the competitiveness of farm products was assessed relative to the average level. Criteria for assessing the competitiveness of products:

- if the cost of 1 cwt of grain, labor costs per 1000 rubles of the crop products' production cost is below average, and the selling price of 1 cwt of grain, grain yield, the share of the sown area for grain and leguminous crops on the farm in the total sown area of the enterprise is above average, then the criterion is assigned a value of 1, if not, then 0;
- if the increments' cost and milk, direct labor costs for milk and an increment of 1000 rubles of the cost of milk and the increase are below average values, and the share of proceeds from the sale of livestock products, the price of 1 cwt of the increment, the price of 1 kg of milk, milk productivity is above the average value, then the criterion is assigned a value of 1, if not, then 0.

At the third stage of the methodology, the points obtained for the competitiveness of products were summed up by farms (Table 1).

At the fourth stage of the methodology, the cases of the coincidence of the largest subsidies' amounts and the greatest return on subsidies in the form of high competitiveness of products were compared across farms.

Table 1. Results of assessing the effectiveness of state support on the example of the SPC in the Udmurt Republic.

| Criteria for assessing the sums of subsidies received and output for crop and livestock production | Points 2018 | Points 2019 |
|-----------------------------------------------|------------|------------|
| The total number of points for the SPC on the competitiveness of crop production | 185        | 185        |
| The total number of points for the SPC on the competitiveness of livestock production | 167        | 196        |
The number of SPCs that received support for the development of crop production above the average value has decreased (46 SPCs in 2018 and 43 SPCs in 2019). The number of subsidies’ recipients for the development of animal husbandry, for whom the subsidy was above the average, increased (44 SPCs in 2018 and 45 SPCs in 2019). Livestock subsidies are larger in value and were received by more enterprises in 2018 and 2019.

The total score in points of indicators of crop production competitiveness reached 185 points in both years. But in 2019, the return on subsidies in animal husbandry in the form of higher competitiveness indicators of livestock products than the average for the 71 SPCs under study turned out to be significantly higher - 196 points against 167 points.

The number of coincidences of cases when state subsidies were received by precisely those farms and for those areas of their development in which they achieved the greatest competitiveness in 2018 was 41 out of 71, and in 2019 - already 46 out of 71.

This means that the choice of the priority development of animal husbandry in the region was made correctly. In fact, the republic is more specialized in the production of livestock products. In general, it can be concluded that the effectiveness of state support for the SPC in 2019 is higher than in 2018.

5. Conclusion
State support on the example of the analyzed SPC panel showed a decrease in volumes for the last reporting year of 2019, but an increase in relation to 2014. The more developed livestock sector in the region received more subsidies than crop production, which indicates the effectiveness of state support.

In the future, within the framework of the next three-year budget, a significant restructuring of state support forms from compensation forms to incentive forms is expected. In this context, in the authors' opinion, in the Udmurt Republic it is necessary:
- to significantly strengthen the processing of agricultural products, incl. in the SPC as the main potential export direction;
- to apply for subsidies to reimburse direct costs incurred for construction, reconstruction of AIC facilities because this will strengthen the material and technical base for the development of priority areas in the future. The lack of budgetary financing of AIC facilities in the republic indicates that so far state support is used to cover losses in agricultural production, increase profits and improve solvency;
- an assessment of state support effectiveness should be based on an inter-farm comparative analysis of the demand for amounts and directions of subsidies with the competitiveness of products. This technique makes it possible to evaluate not only the actual effectiveness of subsidies, but also to timely adjust the expediency of investments, introduces a competitive struggle for receiving subsidies.

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