



Priority Areas for the Development of the Mechanism of State Support for Agriculture at the regional level

Burkovskiy Pyotr Vasilievich ^a

Kuban state agrarian university named after I.T. Trubilin, Russian Federation, 350044, Krasnodar, Kalinina Street, 13

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Abstract : Agriculture and the agro-industrial complex (AIC) as a whole are complex and technologically interconnected production systems, which include the production of agricultural products and the infrastructure supporting the processes of delivering food to consumers in order to address issues of food sovereignty. The state is called upon to protect domestic agricultural producers of all types of ownership from the negative factors associated with the sanctions regime of unfair foreign competition and, in accordance with the goals of import substitution, to create a favorable institutional environment to increase the competitiveness of domestic agricultural products in the domestic and foreign markets, and stimulate the development of integrated ties between agricultural producers. This article examines existing tools and mechanisms for supporting individual agricultural producers at the regional level. A comprehensive assessment is conducted to determine the current state of development of agricultural organizations and determine the contribution of budget subsidies to the key indicators of economic efficiency in the production of crops and livestock. The negative trends identified during the analysis—decreasing production and sales efficiency in livestock products, a weak material and technical base, and a decline in the number of employees in agricultural organizations—are largely due to the imperfections of the current state support mechanism. The inadequacy of the volume and targeted nature of budget support for agricultural organizations was determined, and a targeted approach to distributing subsidies aimed at creating an incentive mechanism for increasing the efficiency of agricultural production was proposed.

^a  <https://orcid.org/0000-0002-1574-901X>

1 INTRODUCTION

The strategic basis for the need for sustainable growth and development of agricultural production lies in addressing the global problem of rising food prices, compliance with household nutrition standards and norms, and food shortages in developing countries. It should be noted that addressing food security at the global level entails an existential cause-and-effect relationship between the general trend of global population growth and maintaining stable levels of labor productivity in crop and livestock production. According to UN expert estimates, for the period 2020–2024, approximately 370,000 people were born globally per day, while approximately 170,000 died. Consequently, the annual global population growth was approximately 200,000 people per day, or approximately 70 million people per year. At the same time, during the period under review, average labor productivity in agriculture increased by only 0.7%, which is insufficient for long-term stability in production volumes, processing, and delivery of agricultural products to end consumers. According to the same UN estimate, approximately 670 million people, or approximately 8.2% of the population, experience chronic food shortages as of early 2025. Therefore, it is essential to overcome technological gaps in the territorial distribution of agricultural production by implementing promising forms of intensification and concentration of agricultural production, such as agro-industrial integration, as well as by developing an incentive mechanism for state support to develop agricultural cooperation among local agricultural producers. The methodological basis of the study was based on concepts in agricultural economics, as well as legislative and regulatory acts governing the activities of agricultural producers of all types of ownership, and program-targeted documents for agricultural development. The initial data were operational and statistical reports from the Ministry of Agriculture and Processing Industry of Krasnodar Krai and the Ministry of Agriculture of Russia.

2 METHODOLOGY

Modern globalization challenges require market mechanisms to capitalize production to a high degree and enhance its technical and technological capabilities in line with accelerated growth in overall labor productivity. In agriculture, with its heightened

competition among producers, institutional regulation and support are key to the strategic development of various organizational forms of producers. However, the need for qualitative organizational transformations in local agricultural production, driven by market dynamism and the acceleration of socioeconomic processes driven by digitalization, has become a top priority among modern trends in the agro-industrial complex. Most strategic plans for sectoral development in the agro-industrial complex, both currently under development and in effect, emphasize the systemic nature of the formation of production relations between agriculture as such and agricultural processing, driven by agro-industrial integration.

At the same time, the ongoing negative trends towards a reduction in the overall level of employment in rural areas and the polarization of productive forces on the part of financial-industrial groups of large landowners leasing significant areas of agricultural land distort competitive behavior and competition between agricultural producers of all forms of ownership as a whole.

The issue of labor migration and labor shortages is a pressing one in the context of the long-term strategic development of the agro-industrial complex. The strategic development of the agro-industrial complex generally reflects the priority of technological modernization of agricultural producers, the introduction and targeted support of promising organizational and legal forms and methods of conducting agribusiness, including through agro-industrial integration. Emphasis is placed on improving the greening and efficiency of agricultural land cultivation and processing technologies, and the active use of auxiliary technical means to optimize crop rotation and monitor soil fertility. To this end, a list of promising areas for the development of land reclamation, precision farming, technical re-equipment of agriculture, and digital auxiliary technologies to optimize agricultural production and processing processes has been developed and is being implemented. (Tikhomirov A.I., Fomin A.A., 2024)

In describing the systematization of the main strategic goals for the development of state agricultural policy through 2030, it is important to note the priority of resource provision in organizing agricultural production to improve the efficiency and quality of agricultural technologies by increasing the proportion of organic fertilizers while simultaneously utilizing irrigation systems for irrigated agriculture. Another priority remains the development of production and social infrastructure

in rural areas, increasing the level of technological equipment for agricultural labor, and, on this basis, the formation of strongholds for the rural economy, including through agricultural cooperation and agro-industrial integration.

Of great importance is the sustainability of rural infrastructure development and support for

production and social facilities in the agricultural sector, as an integrated structure for the production, processing and sale of agricultural products in close connection with the infrastructure development of rural areas for the period up to 2030.



Figure 1: Systematization of strategic goals of the state agricultural policy for the period up to 2030.

The main trends in the development of the agro-industrial complex in Krasnodar Krai are reflected in the dynamics of production and sales indicators for crop and livestock products, as well as the financial

performance of agricultural organizations. Let's consider the dynamics of financial performance indicators for agricultural organizations in Krasnodar Krai, presented in Table 1.

Table 1: Financial performance indicators of agricultural organizations in Krasnodar Krai.

Indicator	2010	2015	2020	2023	2023 by 2010, %
Number of agricultural organizations, units	350	304	295	247	70.6
Sales revenue, billion rubles	104.5	206.5	272.2	381.7	3.6 times
Sales profit, billion rubles	21.1	62.6	66.9	90.3	4.3 times
Return on sales, %	20.2	30.3	24.6	23.7	-
Number of employees at the end of the	116.7	94.2	80.8	83.2	71.3

year, thousand people					
Worked by workers in all industries, thousand man-hours	230187	188946	155321.1	154043.6	66.9
Hourly labor productivity, thousand rubles/person-hour	0.5	1.1	1.8	2.48	4.9 times
Value of fixed production assets at the end of the year, billion rubles	105.8	134.2	351.5	537.1	5 times
Return on assets	0.99	1.54	0.77	0.71	71.7
Value of working capital at the end of the year, billion rubles	86.2	189.4	266.9	426.0	4.9 times
Material efficiency	1.2	1.1	1.0	0.89	74.2

As can be seen from the data presented in Table 1, for the period under review (2010–2023), in the dynamics of the main financial indicators of the production activities of agricultural organizations as a whole in Krasnodar Krai, we note a number of problematic aspects due to a decrease in their number by 29.4%. This is caused by both organizational, economic, and institutional factors such as weak government support, a shortage of material and technical resources, and the weak adaptability of small agricultural organizations to the high degree of competition inherent in the agrifood market. The shortage of material and technical resources and a decrease in the overall level of

efficiency in the use of fixed production assets are reflected in a drop in the return on assets ratio by 28.3% over the period under review, while the turnover ratio of working capital (material productivity) also decreased by 25.8%. A decrease in the dynamics of these two ratios is a negative indicator of the presence of production imbalances, which reduce the overall level of efficiency in the use of production resources and long-term financial stability.

Let us consider the main production indicators of agricultural organizations in the Krasnodar Territory and the level of state support based on the data presented in Table 2.

Table 2: Assessment of the dynamics of industry indicators of production activities of agricultural organizations in Krasnodar Krai.

Indicator	2010	2015	2020	2023	2023 by 2010, %
Plant growing					
Profit from the sale of crop products per 1 hectare of agricultural land, thousand rubles	7.36	22.8	24.5	32.37	4.4 times
The share of irrigated land in the total sown area	0.05	0.07	0.07	0.08	160.0
Labor productivity in the production and sale of crop products, thousand rubles/person-hour	0.26	0.72	1.04	1.42	5.5 times
Animal husbandry					
Profit from the sale of livestock products per 1 hectare of agricultural land, thousand rubles	0.17	3.8	2.5	-0.02	-
Output of primary production workers in the production and sale of livestock products, rubles/person-hour	147.6	270.7	285.3	2.88	2.0
Level of government support					
The amount of government subsidies received per 1 ruble of production costs in crop production, million rubles	0.06	0.06	0.04	0.05	83.3
Profitability of sold crop products taking into account subsidies, %	46.1	73.2	60.7	60.7	-
Profitability of sold crop products excluding subsidies, %	34.9	62.5	54.3	51.5	-
The share of government subsidies received in revenue from sales of crop products, %	2.79	2.47	1.53	1.79	-

As noted in the table, for the period 2010–2023, the dynamics of sectoral indicators for agricultural organizations in Krasnodar Krai show a generally more favorable situation in terms of the efficiency of crop production and sales than livestock production. However, the low utilization of agro-improvement technologies in the cultivation of agricultural crops is noteworthy, largely due to the need for long-term investment, which remains inaccessible to most isolated agricultural producers with limited resource bases. We also note the continuing negative trend of declining profits in the production and sale of livestock products across the Krai as a whole, which requires a range of measures to support integration processes and subsidize livestock enterprises. The volume of state subsidies to agricultural producers, as exemplified by the production and sale of crop products, remains at a rather low level. Given the high costs, seasonality, and increased level of financial risks inherent in agriculture as a whole, this is insufficient for ensuring long-term planning and the implementation of strategic directions for state support of agro-industrial integration processes.

As noted by O. G. Vasilyeva, the combination of processing and marketing of agricultural products within a separate local production system of a vertically integrated type makes it possible to form a territorial production complex for accelerated socio-economic development at the rural level, with the possibility of a stable increase in long-term investments in the development of production infrastructure facilities and the attraction of young specialists within the framework of the core industry specialization (O. G. Vasilyeva, A. M. Bilko, 2022). The concept of growth anchors for rural areas, combined with comprehensive state support for agricultural cooperation, makes it possible to achieve accelerated socio-economic development and strengthen the production potential of the farming sector as a whole. Let us schematically summarize the identified trends in the development of agriculture in the Krasnodar Territory for the selected period of 2010–2023, based on the comparative dynamics of indicators in the sectoral aspect of both agriculture and the agro-industrial complex as a whole, including the social development of rural areas (Figure 2).

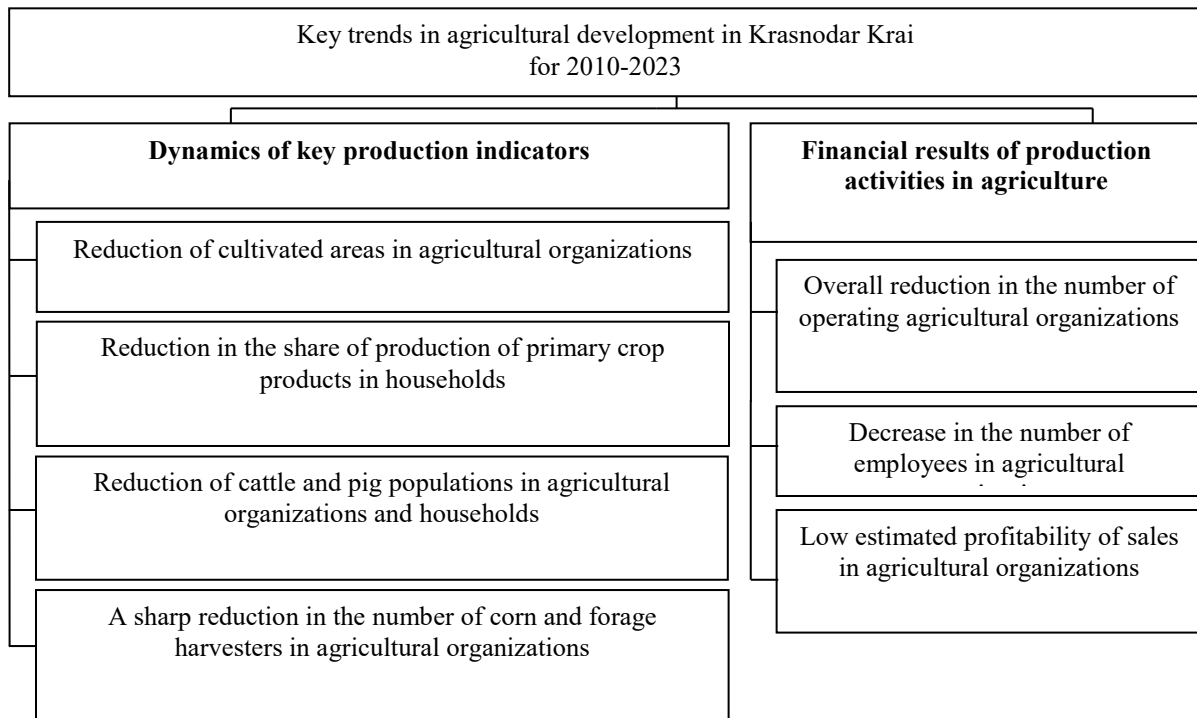


Figure 2: Problematic trends in the development of agricultural production in the Krasnodar Territory.

Based on a statistical analysis of key agricultural development indicators in the Krasnodar Krai, it

should be noted that livestock production indicators are experiencing a number of structural imbalances

associated with a decline in livestock numbers across all farm categories. It should also be noted that over the period under review, the overall share of production activity in crop and livestock production on household farms has declined, while sustainable growth potential for the production of key agricultural products on peasant farms remains stable. Negative trends in the social development of rural areas are also noteworthy, with a continued decline in the availability of gasification services for rural housing. Furthermore, a decline in the number of hospitals and the number of nursing staff has been observed.

At the level of rural settlements, a state targeted policy for the development of rural housing in the organization of agribusiness is being implemented within the framework of the "Rural Estate" program, developed for the period up to 2035, within the framework of which it is advisable to provide for a number of comprehensive measures to form a specialized target fund for the development of rural areas in close connection with the support of organizational forms of cooperation of peasant (farmer) households (Kalinin A. M., Samokhvalov V. A., 2020).

An institutional mechanism for state support of agricultural production is crucial for the sustainable development of cooperation and agro-industrial integration. For small businesses, resource security is crucial during the initial stages of establishing agribusiness, as is the ability to utilize price incentives to stimulate sales of agricultural products through state subsidies for farmers and private farms.

In this regard, the methodology for organizing state support for farmers and agricultural entrepreneurs should be focused on the targeted use of subsidies to stimulate increased profitability of small businesses when they unite into district agricultural cooperatives. Focusing state support on subsidizing the farming sector when it unites into district consumer cooperatives will create additional impetus and organizational prerequisites for accelerated infrastructural development in rural areas of the corresponding municipal district. In this regard, it is necessary to increase the overall volume of targeted budget subsidies to support farmers who have entered into integrated interactions within the established district agricultural cooperative of farms through horizontal cooperation, which will enhance overall business and investment activity in rural areas. Concentrating farm assets on the market principles of voluntary cooperative membership while simultaneously ensuring further exponential

growth of existing positive production potential will enable the effective use of increasing state support for subsidizing the production and sale of agricultural products within district agricultural cooperatives. Overall, the focus should be on targeted budget support for farmers at the rural level, with a priority on increasing budget subsidies for the establishment and development of growth hubs in rural areas through long-term investments in the organizational development and strengthening of district farmer cooperatives, modeled after agro-industrial units, and the industrialization of large-scale agricultural production. Organizing this type of targeted budget subsidies will allow for the full exploitation of the existing property potential for rural economic growth and the economic benefits of concentrating the resource base on the municipal district's chosen sectoral specialization in agricultural production.

The development of targeted state support for cooperation and agro-industrial integration processes at the rural level is a strategic pillar for the development of state instruments for the long-term financial stability of agricultural producers of all types of ownership. The mechanism for subsidizing business processes to support cooperative ties between farms, tied to a specific rural area, should reflect the priority sectoral specialization of agribusiness, which offers the most favorable and resource-rich conditions for organizing agricultural production. (Eldieva, T.M., Minin, D.L., 2024).

In this regard, it is necessary to consider the sectoral specialization and territorial characteristics of agricultural production in rural areas and distribute the overall state support limit with an emphasis on existing farm investment projects to expand and strengthen their material and technical base within the selected production specialization. The concentration of production assets in the production of certain categories of agricultural products can serve as an indicator of the share of the distributed state support volume. The higher the resource concentration of production assets within a certain group of farmers, the higher the distribution coefficient of the incentive subsidy for agricultural production support should be. It is advisable to calculate the incentive coefficient for the distribution of state support based on the share of profits received from the sale of products by farms that concentrate their production assets in the selected production niche out of the total profits from agricultural sales in the municipal district across all categories of agricultural producers. For certain categories of agricultural producers experiencing a

shortage of material and technical resources for their core production, it would be appropriate to provide preferential financing for long-term expenditures on agricultural machinery through leasing and to encourage the transition to accelerated depreciation of fixed assets while accelerating the turnover of

production capital. Overall, the proposed approach to providing targeted state support to agricultural producers involves stimulating the resource and sectoral concentration of material and technical resources for agricultural production (Figure 3).

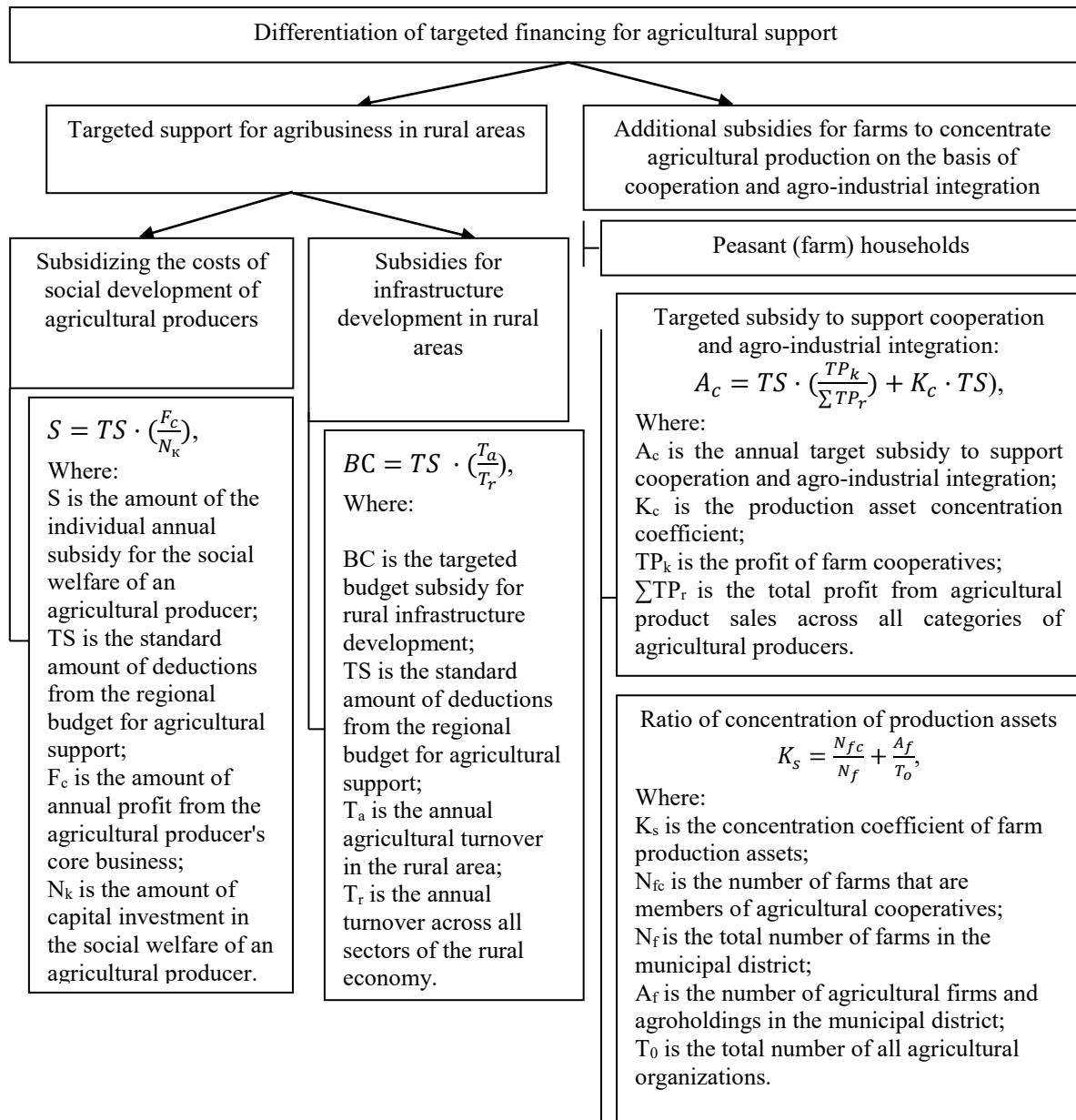


Figure 3: Calculated indicators of the proposed mechanism for targeted financing of support for agricultural producers

Targeted subsidies for the efficient use of agricultural land, based on the assessment of relative indicators of land use quantity and quality, are relevant forms of targeted government support for agricultural producers. The ongoing negative trend

of declining cultivated land area in agricultural organizations in Krasnodar Krai is an indicator of a growing problem with the quality of land management and measures to improve soil fertility. Therefore, it is necessary to formulate criteria for

assessing the efficiency of agricultural land use across all categories of agricultural enterprises, based on the calculated values of such coefficients as:

1. The coefficient of accumulated depreciation and costs for radical improvement of land per 1 hectare of agricultural land:

$$K_{am} = \frac{Am+I_l}{s_l}, \quad (1)$$

Where:

K_{am} – coefficient of accumulated depreciation and costs of radical improvement of lands;

Am – the sum of annual accumulated depreciation from the production operation of fixed assets, thousand rubles;

I_l – the sum of annual expenses for the fundamental improvement of lands used for agricultural production, thousand rubles;

s_l – total area of agricultural land involved in circulation, ha.

2. The coefficient of decommissioning of land plots in the total area of cultivated agricultural land:

$$K_{el} = \frac{S_{el}}{S_t} \times 100, \quad (2)$$

Where:

K_{el} – coefficient of land area disposal;

S_{el} – total area of withdrawn land plots, hectares;

S_t – total area of cultivated land, hectares.

3. Coefficient of concentration of production assets in the main production:

$$K_c = \frac{\sum P_f}{S_t} + \frac{\sum P_h}{\sum T_m}, \quad (3)$$

Where:

K_c – coefficient of concentration of production assets in the main production;

P_f – the total cost of fixed production assets used in crop production;

S_t – total area of cultivated land;

P_h – the total cost of fixed production assets used in animal husbandry;

T_m is the sum of all material costs for production in animal husbandry.

The above parameters for assessing the efficiency of exploitation of land assets by a local producer should be grouped by segments of agricultural producer categories and by characteristics of cooperation and agro-industrial integration in order to identify quantitative and qualitative factors of positive and negative influence

on the achieved level of production efficiency as a whole.

It is proposed to calculate the weighted average assessment of the efficiency of agricultural land use by groups of local agricultural producers using the following formula:

$$E_{av} = \sum_{i=1}^n \frac{(K_{ami} \times K_{eli} \times K_{ci})}{n} \quad (4)$$

Where:

E_{av} is the weighted average value of the comprehensive assessment of the efficiency of agricultural land use for a sample of agricultural producers;

n – sample set of categories of agricultural producers.

Based on a comparative assessment of the increase in the comprehensive efficiency of agricultural land use at the level of a local agricultural producer from its weighted average value for the selected population, it is advisable to implement targeted financing for those categories of agricultural producers that have an assessment value above the average according to the following formula:

$$S_b = P_s \times \left(\frac{(K_{ami} \times K_{eli} \times K_{ci}) - E_{av}}{E_{av}} \right), \quad (5)$$

Where:

S_b – the amount of the targeted incentive subsidy to a local agricultural producer for the efficient use of agricultural land;

P_s – the general limit of budget support for crop production activities in agriculture.

Targeted government support for cooperation between farms, focused on rural areas, allows for the creation of a favorable organizational mechanism to stimulate the overall level of business and investment attractiveness for the concentration of production resources among local agricultural producers. Emphasis should be placed on improving the overall efficiency of agricultural land use and stimulating the growth of technical equipment and the modernization of production processes in agricultural cultivation. At the initial stage of improving the organizational mechanism for supporting the concentration of production resources through cooperation and agro-industrial integration, it is important to establish the initial economic preconditions for the development of sustainable production links between local agricultural producers in each rural area, taking into account the priority of industry specialization and the principle

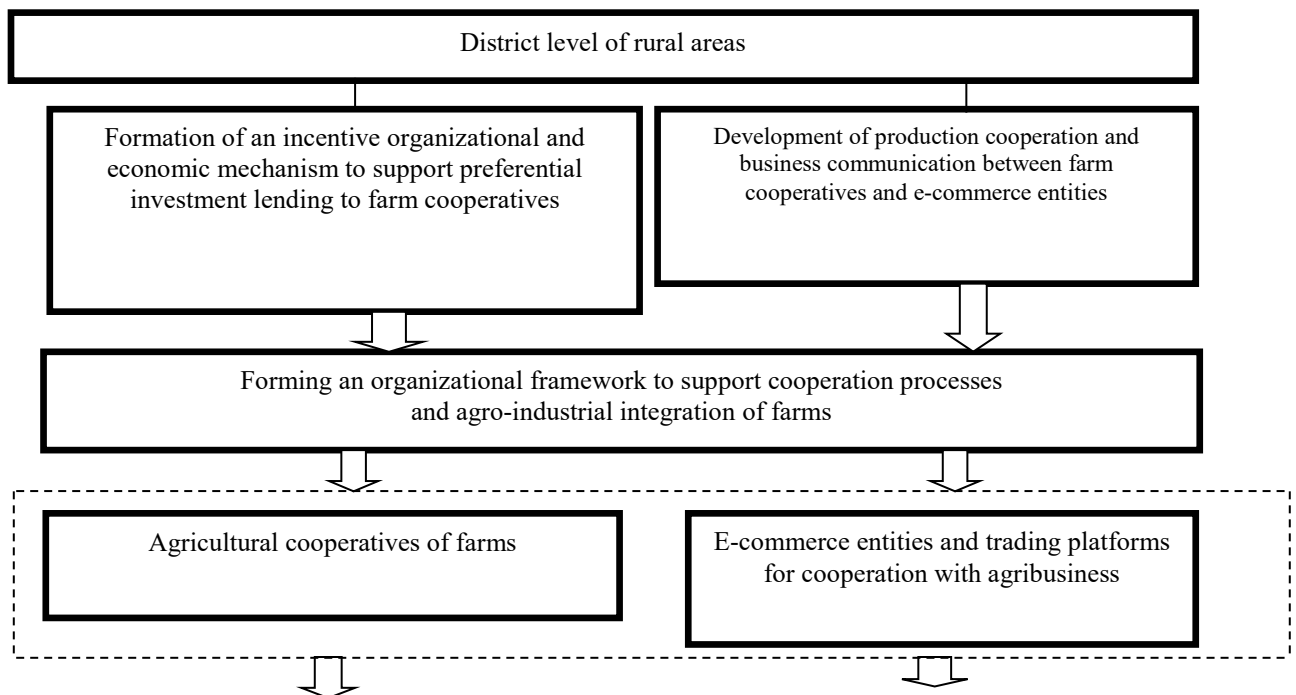
of comparative advantage at the local level. Using group classifications based on the area of cultivated land and the amount of capital expenditures on fundamental improvements to agricultural land, it is advisable to differentiate farms and agricultural organizations according to the groups of selected characteristics of the key land use indicators proposed above and identify the potential for increased production efficiency. It is also advisable to conduct a regression analysis to assess the strength of the relationship between improved land use indicators and membership in an agricultural cooperative from the presented sample of farms.

In the case of statistical significance of the indicators of the connection between cooperation processes and the increase in land use efficiency at the farm level, it is advisable to provide targeted support for long-term investment in joint farm projects for the formation of closed-loop production.

Stimulating support for agro-industrial integration processes at the rural level is focused on the development of specialized agricultural production facilities that concentrate technological capacity for combining the production, processing, and marketing of agricultural products, with an emphasis on leveraging the full synergistic advantage in the growth rates of the farming sector's production indicators.

Targeted support for the farming sector at the rural level, with the potential to leverage the organizational advantages of increased agricultural

land use efficiency by promoting the concentration of production assets through the practical implementation of the rural stronghold concept, can make a significant positive contribution to addressing the issue of rural population outflow and the declining labor force in agriculture overall. At the district level, it would be appropriate to establish a unified, centralized structure for municipal support of inter-farm cooperation, in close collaboration with the largest and most important economic entities on sectoral issues of inter-farm cooperation, with the potential to reduce transaction costs by establishing common supply chains for raw materials and food products. It would be advisable to utilize a mechanism for preferential incentive investment lending for agricultural land allocated for the establishment and operation of agribusiness, using municipal land funds. It is important to provide a stimulating basis for the formation of economic interest in improving the efficiency and profitability of production based on business planning to increase profits from core activities and the concentration of property assets in order to improve the overall level of labor productivity based on agricultural cooperation and the formation of common distribution channels for manufactured products with participation in a single network structure of e-commerce on leading trading platforms in Russia, such as Ozon, Wildberries, etc., which will improve the overall level of food security in rural areas (Figure 4).



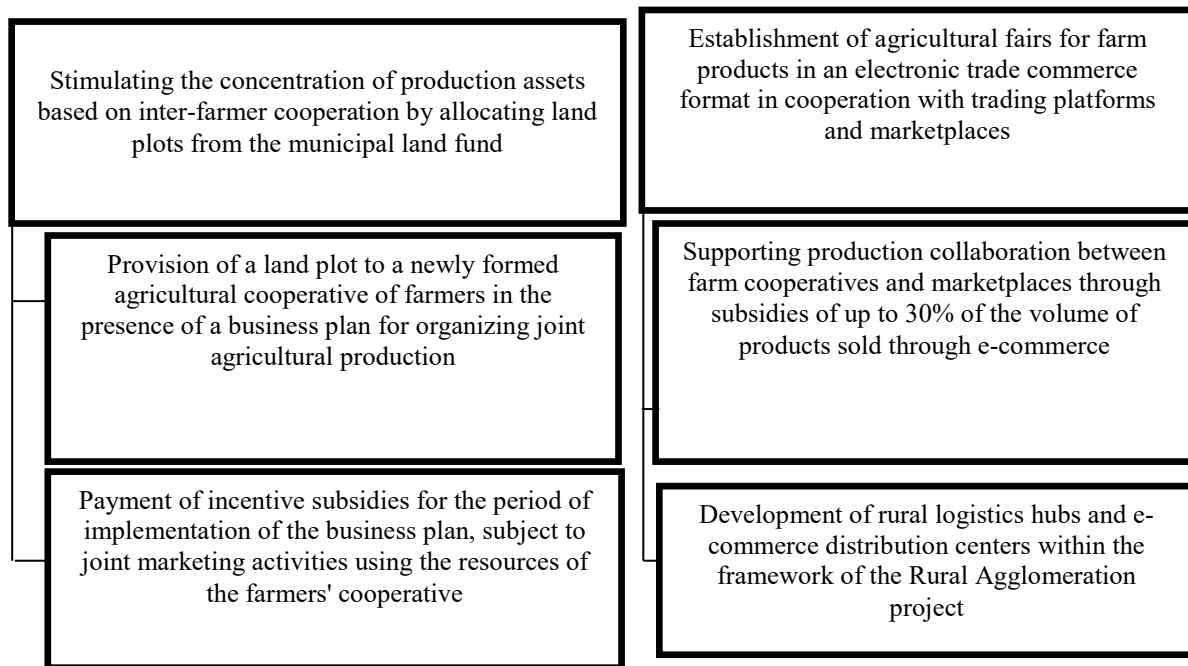


Figure 4: Proposed directions for stimulating budgetary support for farms in rural areas.

Farmers need to develop uniform standards for assessing the effectiveness of business plans based on various forms of agricultural cooperation and an approved scheme for organizing agricultural production, and then implement phased preferential investment lending.

The development of an incentive-based organizational mechanism to support farm cooperation processes based on the principle of economic competition and the potential for leveraging institutional preferences from the concentration of production assets through agricultural cooperation is a strategically important area for the sustainable and long-term development of rural areas and the entire agro-industrial complex. External macroeconomic influences affecting the market conditions of the agrifood market can be minimized to a limited extent, limiting the negative impacts on local agricultural producers through the active development of agro-industrial integration processes among them in organizing agricultural production, leveraging the existing potential of the farming sector. (E.E. Golova, O.A. Blinov, 2023)

In general, it is necessary to note the system-forming foundations for the strategic development of various forms of concentration of production assets in the organization of agricultural production, using the principles of cooperative interaction at the level of rural areas among farms:

-Providing a unified organizational mechanism for systemic support for the promotion of business processes of farms with incentive subsidies for the concentration of production assets and the allocation of land plots for the needs of agribusiness, organized using agricultural cooperatives;

-activating digital processes and e-commerce at the rural level through active production cooperation with marketplaces;

-development of a multi-level system of production cooperation of agribusiness in rural areas based on the concept of a rural support point and the formation of closed production systems of a full production cycle;

-the use of targeted state support for agricultural producers based on a differentiated approach to assessing the efficiency of agricultural land use, the level of resource availability and technological equipment, and the formation of promising organizational forms of industrial cooperation in intra- and inter-industry segments with reference to a specific rural area.

3 RESULTS

The results of applied research on the substantive basis of state support for agricultural development are aimed at providing an incentive basis for

concentrating the resource component of local agricultural producers in order to increase labor productivity, reduce direct production costs, and, consequently, increase commercial profitability and investment opportunities for the transition to sustainable expanded reproduction. A systematized summary assessment of the development indicators of agricultural organizations in Krasnodar Krai was conducted within the sectoral context of agricultural production. This allowed for a comparison of direct production costs of agricultural producers with the volume of distributed state support in the form of subsidies. This identifies the problem of low efficiency in terms of organizational and economic impact of budget financing based on the existing budget allocation mechanism. Based on the obtained results of the comparative assessment and negative trends in the key financial indicators of agricultural organizations in Krasnodar Krai, the formation of a system of incentive state support for cooperation and agro-industrial integration of small agricultural producers and targeted support for the development of production infrastructure in rural areas is proposed. Resource concentration of assets and improvement of living conditions in rural areas are considered the basis for addressing labor shortages in agriculture. A series of indicators has been developed to prioritize the development of an incentive mechanism to increase agricultural production efficiency and ensure maximum production returns through targeted budget subsidies. The development of a functional model for agribusiness entities based on systematized assessments of the efficiency of production resource use can be used for strategic planning for the implementation of promising forms of agricultural production organization, such as territorial agricultural production clusters.

4 DISCUSSION

The results of this study have theoretical value in systematizing important methodological foundations that express the close organizational link between agriculture and the infrastructural development of rural areas. Using an integrated approach to organizing a system of state participation in coordinating the activities of agricultural organizations through incentive subsidies can significantly improve labor and organizational motivation for the efficient distribution of production resources. Resource optimization, combined with targeted budget subsidies, helps

create the necessary initial organizational mechanism to ensure the financial stability of each local agricultural producer. At the same time, issues related to maintaining sustainable growth in production indicators in livestock-producing agricultural organizations, where the ratio of direct costs to the value of gross output is higher than in crop production, remain controversial. Therefore, a promising development direction appears to be systemic support for various forms of agricultural cooperation among local agricultural producers at the rural level and the use of long-term investment subsidies for the creation of crop and livestock production systems with a full production cycle.

5 CONCLUSION

The qualitative modernization of productive forces and production relations, brought about by the technological shift driven by the digitalization of socioeconomic systems, is significantly expanding the organization of labor and capital in agriculture. However, the problems in agriculture caused by the previously chaotic market reforms of the "shock therapy" policy, which resulted in the ruin of entire agricultural production complexes and, consequently, a sharp deterioration in living standards in rural areas, have not yet been fully resolved.

In this regard, the use of comprehensive state support to create an incentive framework for building sustainable intra-farm relationships in agriculture is focused on technological and infrastructural support for increased agricultural production and its delivery to consumers in the domestic agrifood market. Increased efficiency and production returns from budget subsidies in agriculture are closely linked to the modernization of the technological paradigm for organizing agricultural production based on full-cycle production systems for producing, processing, and selling finished products to consumers. The development of agricultural cooperation and agro-industrial integration in agriculture ensures a synergistic effect from the optimal distribution and use of labor, land, and capital resources, which increases production profitability and the competitiveness of agricultural products. For this reason, the practical development of a concept for targeted subsidies in agriculture, focused on resource concentration for local agricultural producers and infrastructure support for rural areas, is consistent with the strategic goals of the state agricultural

policy and the Food Security Doctrine, which require agricultural producers, under the sanctions regime, to develop a new business model and build resource security and an infrastructure base. It is worth noting the high production potential of vertically integrated production systems in agriculture, associated with investment attractiveness and flexibility for the implementation of modern technological solutions for accelerated productivity growth and optimization of working hours.

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