# NATIONAL PROJECTS FOR THE DEVELOPMENT OF NATIONAL ECONOMY: THE WAY OF RUSSIAN FEDERATION

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### **ABSTRACT**

The object of the research is federal projects that constitute a national project that promotes structural changes in the country's economy to create conditions to increase the attractiveness of the Russian Federation as a place where new areas for economic activity are created. The purpose of this work is to consider and analyze the target indicators of economic growth associated with the implementation of the national project "International cooperation and export". The hypothesis of the present study is that implementation of national projects will help to achieve the state of the Russian economic and social sphere, in which it will be possible to create new areas for business development. The main research method is the critical analysis of scientific and methodical literature, analysis of targets of the national project.

**Keywords:** National Project, Russian Federation, Economy, Export, Business.

### INTRODUCTION

The social and economic development of Russia is one of the most important tasks, which is designated by the President of the Russian Federation Vladimir Putin (Putin, 2018). But the achievement of significant shifts in this important area would be impossible without the formalization of indicators that will be calculated for years to come. To this end, on the day of his inauguration on May 7, 2018, the head of state proposed the development of 12 national projects in the country aimed at different aspects of the life of citizens. For this purpose, the Decree "On national goals and strategic objectives of the development of the Russian Federation for the period up to 2024" was signed (Council of Europe, 2020).

The directions of development of Russian society and the state, according to the Decree, were:

Culture, Demography, Digital economy, Ecology, Education, Healthcare, Housing and urban environment, International cooperation and export, Labor productivity and employment support, Safe and high-quality roads, Science, Small and medium business and support for individual entrepreneurial initiatives.

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It should be noted that 2 more projects are currently being developed. One of them will be aimed at the development of domestic tourism in the country, and another one at the development of the nuclear industry.

Our research shows that the implementation of these projects will make it possible to achieve structural changes in the Russian economy and society, which will provide an opportunity for organizing new areas of socio-economic activity, including commercial, both in Russia and abroad.

### LITERATURE REVIEW

Issues, including historical ones, related to the socio-economic development of Russia are being studied by many scientists and researchers.

Yaskova & Kolosova (2020) considered the transformation of investment activity at the current stage of development of Russia. Popkova et al. (2020) considered the balance of the regional economy of Russia for the period up to 2024 based on the methodology of calculation of "underdevelopment whirlpools". Samarina et al. (2020) investigated the socio-economic aspects of steel production in the face of growing demand for agricultural machinery in Russia. Egorova & Vaslavskaya (2020) considered statistical analysis as a tool for managing the innovative development of the agro-industrial complex.

Medvedev (2016), the former President of Russia and now the Deputy Chairman of the Security Council of the Russian Federation, as the Prime Minister, published an article about the new dynamics of socio-economic development in Russia.

There he emphasizes that the key task for modern Russia is economic growth and the diversification of its sources. From his point of view, this is important, since we want to continue to remain a country that has and is able to defend its position and its national interests, to provide decent living conditions for people, regardless of age and social status.

Further, he focuses on the fact that striving to achieve economic growth at any cost is fundamentally the wrong approach. In his opinion, the mandatory criteria for economic growth in modern Russia should be:

- 1. Constant growth in the future. This means that we understand that artificial acceleration of the country's economic development in the short term can lead to critical consequences for the social and economic life of the country's citizens in the long term.
- 2. It is necessary to slightly exceed the global indicators for economic development. In the medium term, this will reduce the gap between Russia and the leading countries in economic development and will be able to set a high standard of living for citizens;
- 3. Without modernizing the life of citizens in such spheres as social and technological, it will be impossible to achieve economic growth.

The last point is especially important given the topic covered in this article. Zhironkin et al. (2020) investigated issues related to reproductive forms of sustainable development policy in Russia.

Another well-known Russian researcher, former adviser to the President of the Russian Federation and former Minister of Foreign Economic Relations of the Russian Federation, Glazyev (2018), in his book "Leap into the Future. Russia in New Technological and World

*Economic Orders*" considers that one of the main constraints on the Russian economy is not the most effective activity of the Central Bank of the Russian Federation.

From the directions of development of the socio-economic sphere, not related to the activities of the central bank, he identified the following:

- 1. The need to transfer the Government on the basis of public-private partnership procedures to the technology of strategic and indicative planning.
- 2. Development of a strategic plan for advanced economic development based on a new technological order. Its placement in the network of indicative plans within the framework of state programs and initiative proposals of economic entities and scientific organizations.
- 3. The need to transform the fiscal rule into a development budget, which would provide for the redistribution of revenues from oil sales towards financing government projects.

The adoption of these measures, as well as other measures aimed at supporting the economy, will ensure a stable socio-economic situation for the accelerated development of both society and business.

Roshchina et al. (2020) investigated sustainable development issues as the cementing inertia of resource economic specialization.

The famous Russian scientist historian and political scientist Fursov et al. (2016) believes that in order to achieve socio-economic development in Russia, measures should be formulated and implemented that can be formulated as a special mobilization project.

Below are the main, according to the authors of this article, the principles on which this project should be based:

- 1. Accelerated creation of the ideology of a "common cause" that unites the nation with the aim of constantly harmonizing the goals and interests of different sectors of society to ensure a synergistic effect from the efforts of all citizens.
- 2. Accelerated development of a thorough, systematic program of force majeure transfer of the Russian economy to mobilization rails and, first of all, reformatting the system of economic management in a possible long emergency period.
- 3. Legal institutionalization of the public sector of the domestic economy should become a trigger for mobilization design. It is necessary to divide the country's economy into two sectors: the state market economy and the non-state market economy.

### DATA AND METHODOLOGY

The effectiveness of state national projects, in the context of the topic under study, can be assessed using the following indicators:

$$I_{1} = C_{t2} / C_{t1} \tag{1}$$

 $I_1$ -the ratio of the number of foreign companies doing business in Russia after implementing national projects to the number of foreign companies doing business in Russia before implementing national projects;  $C_{t2}$ -number of foreign companies doing business in Russia after implementing national projects;  $C_{t1}$ -number of foreign companies doing business in Russia before implementing national projects.

Consider the metrics that the World Bank uses to rank countries for ease of doing business. The directions of study are as follows:

- 1. Business registration process.
- 2. The process of obtaining building permits.
- 3. The process of connecting to the power supply system.
- 4. Property registration process.
- 5. Lending.
- 6. Investor protection.
- 7. Taxation.
- 8. International trade.
- 9. Enforcement of contracts.
- 10. The process of liquidation of enterprises.

Table 1 shows the fluctuation in the places that Russia occupies in this rating over the past 10 years.

Table 1 POSITION OF THE RUSSIAN FEDERATION IN THE WORLD BANK'S RANKING OF EASE OF **DOING BUSINESS\*** No Year Place **Change of place (Current year-previous year)** 1 2011 123 2 2012 120 -3 2013 112 3 -8 92 -20 2014 4 2015 62 -30 5 6 2016 51 -11 2017 -11 35 2018 -5 8 2019 31 9 -4 28 10 2020 -3 Total change (2011-2020) -95

Source: Authors' Compilation

As we can see from Table 1, Russia's position in this rating is improving every year, which means that the measures taken by the country's governing bodies are timely and effective for the development of the business climate.

Consider the indicators reflected in 12 national projects that influence the emergence of structural changes in the Russian economy and society, making it possible to organize new areas of socio-economic activity.

Taking into account the topic under study, it is of great importance to consider the national project "*International Cooperation and Export*", within the framework of which it is planned to further expand production cooperation within the framework of the Eurasian Economic Union (EAEU). It includes the following federal projects:

## **Export of the Agro-Industrial Complex**

Project goals: the volume of exports of agricultural products-\$ 45 billion by the end of 2024, creation of export-oriented commodity distribution infrastructure; elimination of trade

barriers (tariff and non-tariff) to ensure access of agricultural products to target markets; creation of a system for promoting and positioning agricultural products; conclusion of agreements on increasing the competitiveness of companies in key industries (fish and crustaceans, fat and oil products, food processing industry products, grain products); implementation of the strategy for the development of agricultural logistics<sup>1</sup>. Targets for this federal project are shown in Table 2.

Table 2 TARGETS OF THE FEDERAL PROJECT EXPORT OF THE AGRO-INDUSTRIAL COMPLEX*						
Target indicator name	2020 year	2021 year	2022 year	2023 year	2024 year	
Export volume of agricultural products, USD billion	25.00	28.00	34.00	41.00	45.00	
Growth rate of the indicator to the previous year (current year/previous year)	-	1.12	1.21	1.21	1.10	
Export volume of products of fat and oil industry, USD billion	4.40	5.00	6.70	7.60	8.60	
Growth rate of the indicator to the previous year (current year/previous year)	-	1.14	1.34	1.13	1.13	
Volume of grain exports, USD billion	7.90	8.30	9.10	10.70	11.40	
Growth rate of the indicator to the previous year (current year/previous year)	-	1.05	1.10	1.18	1.07	
Export volume of fish and seafood, USD billion	5.50	6.00	6.70	7.50	8.50	
Growth rate of the indicator to the previous year (current year/previous year)	-	1.09	1.12	1.12	1.13	
The volume of exports of meat and dairy products, USD billion	1.30	1.60	2.00	2.50	2.80	
Growth rate of the indicator to the previous year (current year/previous year)	-	1.23	1.25	1.25	1.12	
The volume of exports of food products and processing industry, USD billion	4.10	4.70	6.10	7.40	8.60	
Growth rate of the indicator to the previous year (current year/previous year)	-	1.15	1.30	1.21	1.16	
Export volume of other agricultural products, USD billion	1.80	2.40	3.40	5.30	5.20	
Growth rate of the indicator to the previous year (current year/previous year)	-	1.33	1.42	1.56	0.98	
The effectiveness of measures to support the export of agricultural products (the minimum increase in the volume	4.00	4.00	5.00	6.00	6.00	
of exports per one ruble of state support): in the agro-						
industrial complex, rubles						
Growth rate of the indicator to the previous year (current year/previous year)	-	1.00	1.25	1.20	1.00	

**Source: Authors' Compilation** 

## **Export of Services**

Project goals: The goal of the project: to achieve the volume of exports of non-primary non-energy goods in the amount of \$ 250 billion per year, of which mechanical engineering products-\$ 50 billion, agricultural products-\$ 45 billion, the volume of exports of services provided-in the amount of \$ 100 billion, simplification of the visa regime and migration

registration for foreign tourists from target countries; implementation of a regulatory package for the export of services (simplification of confirmation of the fact of provision of services on the territory of the country, introduction of a tax free system)<sup>2</sup>. Targets for this federal project are shown in Table 3.

Table 3 TARGETS OF THE FEDERAL PROJECT EXPORT OF SERVICES, USD BILLION *						
Target Indicator Name	2020 year	2021 year	2022 year	2023 year	2024 year	
Service export volume	76.00	82.00	88.00	94.00	100.00	
Growth rate of the indicator to the previous year (current year/previous year)	-	1.08	1.07	1.07	1.06	
Export volume of transport services	22.87	24.23	25.60	26.96	28.18	
Growth rate of the indicator to the previous year (current year/previous year)	-	1.06	1.06	1.05	1.05	
Amount of fees for the use of intellectual property and the export of business services	21.17	23.16	24.84	26.17	27.31	
Growth rate of the indicator to the previous year (current year/previous year)	-	1.09	1.07	1.05	1.04	
Export volume of services in the category "Travel"	0.00	0.00	0.00	0.00	15.47	
Growth rate of the indicator to the previous year (current year/previous year)	-	-	-	-	-	
Export volume of telecommunication, computer and information services	6.78	7.62	8.55	9.61	10.80	
Growth rate of the indicator to the previous year (current year/previous year)	-	1.12	1.12	1.12	1.12	
The volume of exports of services in the category "Construction"	0.00	0.00	0.00	0.00	7.46	
Growth rate of the indicator to the previous year (current year/previous year)	-	-	-	-	-	
The volume of exports of services related to the use of industrial products	4.13	4.43	4.76	5.12	5.25	
Growth rate of the indicator to the previous year (current year/previous year)		1.07	1.07	1.08	1.03	
Export volume of financial and insurance services	0.00	0.00	0.00	0.00	2.80	
Growth rate of the indicator to the previous year (current year/previous year)	-	-	-	-	-	
The volume of exports of services to individuals and services in the field of culture and recreation	0.59	0.62	0.66	0.70	0.75	
Growth rate of the indicator to the previous year (current year/previous year)	-	1.05	1.06	1.06	1.07	
Source: Authors' Compilation						

**Source: Authors' Compilation** 

# **International Trade Logistics**

Project goals: to increase the export of transport services (in terms of road, rail, water and air transport) in 2024 in the amount of \$ 25 billion; increasing the throughput of checkpoints across the state border by 2 times by 2024; construction and modernization of 36 checkpoints

across the state border (16 road, 15 sea, 3 rail, 2 air); adoption of regulatory packages (containerization of transportations, cargo tracking, introduction of a single transport document); organization of cargo transportation by regular block container trains along international transport corridors<sup>3</sup>. Targets for this federal project are shown in Table 4.

Table 4 TARGETS OF THE FEDERAL PROJECT INTE	RNATION	NAL TRA	DE LOGI	STICS*	
Target Indicator Name	2020 year	2021 year	2022 year	2023 year	2024 year
Reducing the time for passing border control at key international road checkpoints (as a percentage of 2018)	72	50	43	38	35
Growth rate of the indicator to the previous year (current year/previous year)	-	0.69	0.86	0.88	0.92
Increasing the throughput of export-oriented checkpoints, including by types of international traffic (freight turnover, million tons)	369.93	418.98	460.14	527.92	807.99
Growth rate of the indicator to the previous year (current year/previous year)	-	1.13	1.10	1.15	1.53
Raising Russia's place in the Global Logistics Ranking, place	82	78	74	69	65
Growth rate of the indicator to the previous year (current year/previous year)	-	0.95	0.95	0.93	0.94
Raising Russia's place in the Doing business	rating in t	he followii	ng position	ns:	
1. Average time spent on paperwork during export operations, hours.	16.7	15.0	13.5	12.1	10.9
Growth rate of the indicator to the previous year (current year/previous year)	-	0.90	0.90	0.90	0.90
2. Average time spent on passing border and customs control during export operations, hours.	46.7	42.0	37.8	34.0	30.6
Growth rate of the indicator to the previous year (current year/previous year)	-	0.90	0.90	0.90	0.90

**Source: Authors' Compilation** 

### Systemic Measures for the Development of International Cooperation and Exports

The federal project "Systemic measures for the development of international cooperation and exports" is aimed at creating an environment and infrastructure for the development of exports of goods and services.

The volume of supported exports at the expense of support instruments of the Russian Export Center is \$ 25 billion. The number of exporting companies covered by export support measures is 12 thousand. Implementation of measures to reduce administrative and regulatory barriers in terms of tax, currency and customs legislation; organization of interaction between foreign economic activity participants according to the "One window" principle based on the digital platform of the Russian Export Center; development of laboratory facilities and recognition of test results to defend the interests of Russian manufacturers in the development of

international standards; creation of a unified export promotion system that unites all export support structures in the constituent entities of the Russian Federation (85 outlets, including representative offices of the Russian Export Center) and in foreign representative offices (trade offices of the Russian Federation and the Russian Export Center); an acceleration project is an integral system of educational, financial and non-financial measures aimed at supporting and accelerating the development of export activities of companies, including those that did not export deliveries before <sup>4</sup>. Targets for this federal project are shown in Table 5.

Table 5 TARGETS OF THE FEDERAL PROJECT SYSTEMIC MEASURES FOR THE DEVELOPMENT OF INTERNATIONAL COOPERATION AND EXPORTS*						
Target Indicator Name	2020 Year	2021 Year	2022 Year	2023 Year	2024 Year	
The number of exporting companies covered by the export support measures of JSC Russian Export Center, units	9800	10350	10900	11450	12000	
Growth rate of the indicator to the previous year (current year/previous year)	-	1.06	1.05	1.05	1.05	
Supported exports due to support instruments of JSC Russian Export Center, USD billion	18.5	19.8	21.3	23.0	25.0	
Growth rate of the indicator to the previous year (current year/previous year)	-	1.07	1.08	1.08	1.09	
The number of registered unique users (organizations and individual entrepreneurs) of the information system "One Window", units	1 000	2 000	3 000	4 000	6 000	
Growth rate of the indicator to the previous year (current year/previous year)	-	2.00	1.50	1.33	1.50	
The number of laboratories designated as reference laboratories and entitled to issue reports based on the results of research (tests) using the ILAC mark, not less than units	151	251	251	251	251	
Growth rate of the indicator to the previous year (current year/previous year)	-	1.66	1.00	1.00	1.00	
Number of constituent entities of the Russian Federation in which the Regional Export Standard 2.0 has been implemented and the regional project "Export Development in the Subject of the Russian Federation" is approved, units	40	75	75	75	75	
Growth rate of the indicator to the previous year (current year/previous year)	-	1.88	1.00	1.00	1.00	

**Source: Authors' Compilation** 

The federal projects considered and analyzed above, developed and implemented within the framework of the national project "International Cooperation and Export"; contribute to structural shifts in the Russian economy, which will lead to an increase in the attractiveness of Russia as a place where new areas for organizing and developing business can be created (Mislivskaya, 2020).

#### CONCLUSION

As noted in the article, the Russian Government is engaged in supporting non-resource exports. It should be emphasized that the key to the country's economic growth is in the expansion of international trade in Russian goods, created on the basis of high technologies, as well as food and services. All resources to support this direction by the government are concentrated in the international cooperation and export national project with the ambitious goal of doubling the Russian presence in foreign markets by 2024.

The main resources for export support were grouped in the international cooperation and export national project. The 4 federal projects that make up this national project are in fact the reference points on which the government focused its support efforts. The names speak for themselves: "Export of services" and "Export of agricultural products". In addition, infrastructural support has been allocated in separate directions, which will be provided to exporters under the federal projects "Logistics of International Trade" and "Systemic Measures for the Development of International Cooperation and Export".

To address the ambitious foreign trade targets centered on increasing exports, the government has already proposed some changes. Russian organizations will be able to receive a tax deduction for the export of services, by analogy with a tax deduction for goods. Thus, the tax burden for companies providing certain types of services to foreign buyers is reduced, for example, services for the development of software products and databases, construction, leasing, engineering services, and so on<sup>5</sup>.

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#### **ENDNOTE**

- 1. Federal Passport of the federal project. Export of the agro-industrial complex: Electronic resource-Access: https://mcx.gov.ru/upload/iblock/013/013f266cee8d39bce5ca867381ff0da1.pdf
- Passport of the federal project Export of services. Electronic resource-Access: https://depprom.admhmao.ru/dokumenty/depprom/upt/doc/Федеральный%20паспорт%20проекта%20Эк спорт%20услуг.pdf
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