

Import substitution in Russia: agrarian cluster creation and development of service activities

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Аннотация. Статья посвящена рассмотрению актуальных проблем импортозамещения в России. Предмет исследования – роль и место аграрных кластеров в обеспечении продовольственной безопасности. Цель работы – выявление возможности формирования необходимых ресурсов и направлений улучшения сервисной деятельности хозяйствующих субъектов, ориентированных на импортозамещение в России. Анализ проведен инновационного территориального кластера в региональном агропромышленном комплексе с по глубокой переработке зерна на примерах существующей практики. Выводы и предложения сформулированы с контексте улучшения финансирования проектируемых кластеров за счет бюджетных и внебюджетных средств в условиях макроэкономической нестабильности и ограниченности финансовых ресурсов, формируемых за счет различных законодательно разрешённых источников.

Abstract. The article is devoted to the urgent problems of import substitution in Russia. Subject of research - the role and place of agricultural clusters in food security. Purpose - to identify opportunities to develop the necessary resources and direction to improve the service of business entities focused on import substitution in Russia. The analysis is conducted of innovative territorial cluster of regional agriculture with deep processing of grain on examples of existing practice. The conclusions and proposals formulated with the context of improving the financing of projected clusters due to budgetary and extra-budgetary funds in the conditions of macroeconomic instability and limited financial resources, generated by various sources permitted by law.

Ключевые слова: инновационный аграрный территориальный кластер, агропромышленный комплекс, замещение импорта, сервисная деятельность, продовольственная безопасность, региональное развитие.

Keywords: innovative agrarian regional clusters, agriculture, import substitution, service activities, food safety, regional development.

Increasing the competitiveness of the Russian economy and its individual sectors and regions is made possible through the application of scientific principles and advanced technologies. An activity on the formation and organization of the cluster approach to economic entities is considered as a tool to improve the efficiency, productivity, innovation orientation in the functioning of individual industries and territories. The cluster approach is used productively in the development and implementation of regional innovation programs and projects in various sectors of the market economy. Researchers point to the closeness of the spatial location and connectivity of economic activity of economic entities as the key characteristics of the cluster. For example, the cluster - is "a system of interconnected companies and institutions that turn out to be a whole greater than the sum of its constituent parts" [1, p. 57]; "Industrial cluster is a group of geographically localised interconnected companies united in the production chain, in which the final product is created and added value" [2, p. 9]. In our opinion, the most complete, reflecting the modern trends of development of integration processes, it is the following definition:

"Economic Cluster - is an association of independent economic entities for the joint implementation of activities based on the proximity of the territorial, sectorial, cultural; complementary product, resource, process; interconnection flows of material, non-material, informational" [3, p. 163].

Economic clusters are discussed in scientific publications as a form of economic integration, which is particularly important when dealing with the complex problems of import and food security of the population. Methodology of creation in the regions of the Russian Federation of innovative regional clusters should be based on legal documents. You must have generated a list of sources of investment resources and economic substantiation of directions of their most rational and effective use in the interests of the population and economic entities. In addition, it is advisable to take into account the requirements of a socially-oriented regional policy, as well as features of economic and geographical position, climatic, demographic conditions and other factors specific to each administrative-territorial unit [4, p. 13–14].

The development of import substitution industries in priority agricultural sector is of particular importance for those regions of Russia, which occupies a high proportion of agriculture. Measures aimed at stimulating the growth of financial and technological modernization, should involve the development of production of new competitive products with a relatively high added value.

Russia should not lag behind other countries, being one of the world's largest grain producers in the application of advanced technologies for its deep processing. The peculiarity of the policy - together with the economic effects of the world market of high-quality domestic products need to seek a meaningful social impact from the creation of technologically advanced jobs.

Currently, the share of imported to Russia from abroad products deep processing of grain and other agricultural raw materials is high enough in the volume of domestic consumption. For example, in the structure of Russian starch market share of imported starch is more than 20%. The cost of importing different types of starches, glucose and fructose syrup, lysine, citric acid, wheat gluten and other products in the past few years, every year is about \$ 300 million. The purposeful development of the sector of deep processing would allow 10 years to absorb about 8 million tons of grain, accounting for roughly 7% of the total volume of its production in Russia [5]. In this connection, dynamically developing domestic companies included in the list of strategic enterprises and regional organizations may have a significant impact on the economic situation not only in the neighbouring regions of Russia, but also in the whole country.

In regions of intensive farming as raw materials for deep processing can be used the grain of wheat, corn, rye, rice, oats, millet, barley. At the same time, according to experts, grain grade and its quality are not critical. As a result, the deep processing of grain can be produced not only the native and modified starches, syrup, glucose-fructose syrup, maltodextrins, dry gluten, corn gluten and germ, bran, used for the production of feed additives, glucose, sugar, and biotechnology products - biofuels, organic acids, amino acids, bioplastics. However, despite the fact that in Russia there is a scientific basis for solving this problem as part of a number of research institutes and experimental laboratories and processing production on an industrial scale for a long time not actively developed. It was only due to the support of the Russian Government and purposeful activity of regional authorities, together with the business in the early 2010s it was put into operation a few specialized companies in a number of subjects of the Russian Federation. Currently, about 10 plants construction projects for deep processing of grain are at various stages of implementation [6, p. 36–37].

Rationale for the creation of innovative territorial cluster of deep processing of grain

On the basis of domestic and foreign experience of the organization and production manage-

ment, we can conclude that one of the effective ways of further development of various sectors APC is to create industrial clusters, industrial base which is concentrated within a particular territory. For example, consider the activity to establish in Millerovskiy district of Rostov region agro-industrial cluster based on the "AMYLCO" LLC¹. The aim of the implementation of this innovative project, designed for the medium term (approximately 6–7 years), is import substitution complex starchy and sugary foods, which are not produced in Russia. These include food crystalline glucose, sugar substitutes, natural and high-quality starches. The solution of this problem will not only create territorial production cluster of deep processing of corn grain on the basis of a going concern, but also to ensure the further development of related production sectors: agriculture, food and processing industry.

Completion of the first phase of this innovative project is scheduled for 2016 and implies an increase in the power plant for deep processing of corn grain up 400 thousand tons per year with the production of starch products and high-protein feed. In the future is planned to build factories and production lines, providing deeper processing of raw materials. The estimated cost of the whole project to create innovative territorial cluster of 2.5 bln.rub. Expected social effect of its implementation involves the creation of 372 new jobs. Currently, this project is at the stage of raising funds and creating infrastructure. The total amount of investments that are necessary for the full implementation of the project during the planning period, loans accounted for 70% (1.75 bln.rub.). It seems, that this is the main difficulty of practical work on formation of the innovation cluster.

The need to create a sound financial basis for the implementation of cluster initiatives

The lack of own financial resources to the extent necessary in the conditions of the limited availability of borrowed funds represents a significant threat to the timely implementation of all regulatory workload. In general, currently stored prevailing trends in average interest rates on loans to commercial organizations and business projects: interest rates remain at a high level, and the likelihood of such loans is considered by business entities as quite low. Therefore, even stable operating companies are reluctant to this method of raising funds. Financial resources to the extent necessary in the conditions of the limited availability of borrowed funds represent a significant threat to the timely implementation of all regulatory workload. In general, currently stored prevailing trends in average interest rates on loans to commercial organizations and business projects: interest rates remain at a high level, and the likelihood of such loans is con-

¹ The factory of the company "AMYLCO" was built in 2009 and produces deep processing of maize into glucose syrups and high-maltose. It was subsequently launched production of a wide range of starch and high-protein feed. Read more about the activities and plans of the company, please visit.: <http://amilco.ru/main>.

sidered by business entities as quite low. Therefore, even stable operating companies are reluctant to this method of raising funds.

Instrument of regulation of innovative activity is the state support (for example, federal financing). Besides, infrastructure support of cluster projects, which is under authority of regional public authorities, is important. Perhaps also expansion of use of tools of the state guarantees for support of innovative business projects of the commercial organizations (on condition of creation of the corresponding regulatory legal base). For fuller involvement of potential of crediting as source of borrowed funds it is advisable to implement foreign experience in the Russian conditions, namely to practice preferential crediting, depreciation of service of the credit, etc.

Along with the above, it is necessary to carry out the alleged justification of the volume of loans and predictable output. According to the existing practice of obtaining financial resources can be carried out in the following cases:

- 1) if the expected revenue from the project, which is expected to borrow exceed the cost of credit;
- 2) if the funds are investments in the development of the company, allowing to raise its image and attract additional funding.

Government programs (federal and regional) provide budget funds. These resources can be used as sources of financing for investment projects and meet the challenges of cluster development. One way to guarantee obtaining financial resources is the inclusion of an innovative project in the list of activities of the state regional investment program. In this case, the cluster of budget funds will provide support. The selection of priority investment projects of the responsible authorities should focus on the proven principles of the practical implementation of the investment program [7, p. 235].

Thus, we can conclude that in the conditions of increasing competition between Russian regions and municipalities for attracting investments becomes topical application of new tools to maintain and enhance the competitiveness of the territories. Note the importance of support for emerging industries in the agro-industrial complex of innovative regional clusters for the food security of the state. This group of geographically adjacent enterprises and related organizations, which have a common economic activity, the development of economic relations and mutually reinforcing. The result of the application of the cluster approach should be maximum utilization of the competitive advantages of Russian regions and, as a consequence, the overall growth of their competitiveness.

Suggestions for improving financial support to create innovative territorial clusters

Before making a decision on the establishment of agro-industrial cluster need to study the economic potential of this area, namely to perform a feasibility study and formulate the basic preconditions

feasibility of the project. These include the presence in the region the conditions for productive activities, including, firstly, favourable agro-climatic conditions; Second, natural resources, in the form of vast areas of land, accumulated human capital, skills of farmers; thirdly, the functioning of the enterprise on processing of agricultural raw materials, sales organizations, and other structures necessary for the co-operation of economic activities and development of the planned territorial cluster. Steady market within the Southern and North Caucasian Federal District is required that creates a foundation for deeper integration of agro-industrial cluster not only in intra- and inter-regional, but also in the international economic relations.

Implementation of cluster policy initiates the need to attract investment resources for the modernization and technical re-equipment of enterprises of various sectors APC. They are interconnected with the industries that make up the projected clusters, by the nature of economic activity. Factors that influence the processes of integration are the need to harness the existing production and employment potential in order to increase profitability and productivity; provision of value added growth in the sectors of agricultural production and processing of agricultural products; creation of conditions for increase of wages and disposable incomes of the population employed in agribusiness industries; strengthen the material base for a balanced financial policy in terms of increasing the collection of taxes and fees received by the budgets of different levels of the budget system.

Summing up, we have to admit that in Russia there was an ineffective system of financing of business organizations, which operate in difficult economic conditions. Own financial resources are usually limited and mainly aimed at maintaining current business needs. Alternative funding sources (i.e. debt and borrowings) are not always available because of limitations in terms of their provision of commercial organizations of certain legal forms. Competition is an important factor in the struggle for financial resources as an objective basis of the market economy. Finally, on the economic activities of commercial organizations influence the tax legislation, often preventing the attraction of additional financial resources.

Public-private partnerships as a driver of mutually beneficial cooperation

Under present conditions the importance of a differentiated approach to the feasibility study and the choice of perspective directions of consolidation of the financial resources of economic entities increases. Of particular importance in the search for optimal combinations of options and extra-budgetary sources of financing cluster projects acquires the use of public-private partnerships (hereinafter - PPP). PPP concept involves mutual cooperation of all stakeholders (public authorities, businesses, the scientific community) in the organization

and implementation of various business projects [8, p. 153-154). In addressing the problems of import substitution and improvement of food security of the population due to internal resource sources, a priority role should belong to the use of PPPs. Consolidation of the financial resources of the state and business to cover the costs for the design and construction of industrial and infrastructural facilities will contribute to the rapid solution of arising in the course of investment problems.

In scientific publications emphasised the effectiveness of such measures: "PPP projects are a mechanism to attract, above all, financial resources of the private sector, aimed primarily at the development of capital-intensive infrastructure projects in the social sectors, which is especially important in the conditions of deficiency of budgetary financing" [9, p. 109]. Best domestic PPPs has found application in the process of formation of innovation territorial clusters on the basis of LLC "Amylco". The structure of the economic cluster is formed according to the requirements established in the decree of the Government of the Russian Federation from 31.07.2015 No. 779. The cluster includes companies engaged in the production of agricultural products; enterprises of food and processing industry; educational institutions engaged in training and skills development in the vocational education system for agricultural enterprises; and related service companies cooperate with participants of the cluster.

The role of corporate social responsibility in improving the performance of clusters of activity

Increasing the social responsibility of business is an important step toward improving the effectiveness of the emerging clusters in the long term. The scientific literature is the direction of practical work of the business community has been called "corporate social responsibility" (hereinafter - CSR). There are various definitions of the wording of the term. In our opinion, in a general way under the CSR should be understood conducting business entities (companies and organizations) socially oriented policies. So, this is the adoption of socially tuned decisions and actions, which together reflect the fundamental goals and values of modern society. "It is now necessary to concentrate on the full implementation of voluntary initiatives in the framework of CSR, as well as to create a complete system of incentives. This trend looks very timely, since the degree of development of CSR instruments in the Russian Federation depends on the interest of specific companies and their activities in a given direction" [10, p. 345].

Summary

Established in agribusiness industries innovative territorial clusters are designed to contribute to solving the strategic task to ensure food security of the administrative and territorial entities of the Russian Federation. Their role in maintaining a balanced economic position of economic entities in the national economy becomes significant. Work on import substitution complex starch and sugary

products are not produced in Russia, becoming one of the components of long-term state policy on providing food to the population at the expense of internal sources. For the stabilization of the economic activities of commercial organizations that are part of the emerging clusters, you must consider issues related to the formation of financial resources, which would be sufficient for the whole period of implementation of innovative projects. Possible improvement of economic business conditions associated with updating the regulatory framework and the creation of a multi-channel system of funding organizations that are part of the emerging clusters, based on optimum use of public relations in the (budget) and private (non-budget) funds.

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